



EUROPEAN NEWS

West German President is enlightened conservative

BY RUPERT CORNWELL IN BONN

WEST GERMANY has a new President. Shortly before 1 pm, in the hastily spruced-up auditorium of the Beethovenhalle concert hall in central Bonn, the slender white-haired figure of Herr Richard von Weizsäcker was yesterday elected as the sixth head of state in the 35-year history of the Federal Republic.

Other half nominated by the 10 states or Länder, and West Berlin. The Assembly meets only once every five years, its sole task to elect the Federal President. Herr von Weizsäcker faced it with the support not only of his own Christian Democrat/Christian Social Union grouping, which on its own had the majority required, but of the smaller FDP Liberal party and the opposition Social Democrats as well.

Of the 1,017 valid votes cast, 832 were for him. His only opponent, the authoress Frau Luise Rinser, who lives mostly in Rome and was put up by the Greens, received 68. The rest, probably unknown Liberals and Social Democrats, abstained.

concerned when it concerns the future of our country." And there may be other, more subtle, signs to be read from the ceremony in the Beethovenhalle. Elections of German Presidents have more than once uncannily forecasted momentous political changes.

UK against EEC price controls on cars

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT, IN GENEVA

THE UK Government will oppose the European Commission's attempts to impose price controls on cars, Mr Norman Lamont, UK Minister for Industry, said yesterday.

But the motor industry has objected to the proposal and says it is unworkable and would severely damage the profitability of a sector already suffering from severe competition.

Dr Gerhard Liener, a member of the executive board of Daimler-Benz, said specialist car producers such as his company, BMW, Porsche and Volvo would in future have to face Japanese competition.

Mr Lamont said that the tide was now turning. "Import penetration fell slightly last year and is marginally down in the first months of this year. I am confident that the multinationals themselves are ready to reflect these changes in their forward manufacturing and purchasing plans. Consistent with the GM philosophy of 'make where you sell' the Government's hope is that over the medium term—in the motor industry this can not happen overnight—the companies will move to a better balance between what they sell in the UK and what they manufacture or purchase there."

WORLD MOTOR INDUSTRY

necessarily as individual companies but rather as groups in which a few makers will be in the centre. And we think that interdependence will develop to such an extent that the groups will co-operate with each other where possible while competing in other areas.

Mr Paolo Cecchini, deputy director general of internal market and industrial affairs at the European Commission, pointed out that there was a disturbing tendency for the EEC car manufacturers to withdraw into Europe and concentrate mainly on their domestic markets.

He called on the motor industry to set the pace and force national governments to make the changes which would turn Europe into a true economic community.

Mr Ian Donald, deputy managing director, Guest Keen and Nettlefolds, said his company's forecasts suggested very low growth in car and truck markets over the next four years, which implied a continuation of the price wars and consequent adverse effects on component suppliers. He called for co-operative ventures.

Other speakers of the conference were Mr Edward Irving, senior vice-president, Industrial Systems Corporation; Mr John Nell, managing director, Unipart group; Mr Michael Mitchell, general manager, Rochester Products Division, General Motors; and Mr Tom Barrett, president of Goodyear Tire and Rubber.

Commission unveils budget Ecu 1.9bn above legal limit

BY JOHN WYLES IN STRASBOURG

THE EUROPEAN Commission yesterday unveiled a draft budget for next year which would spend 1.913bn European Currency Units (€1.09bn) more than the total income that member government can legally hand over to Brussels.

The Commission is hoping that the difficulty will be overcome at next month's summit at Fontainebleau with an agreement on the UK's budget demands. This would then allow unanimous approval for raising the so-called 1 per cent VAT limit on contributions to 1.4 per cent so that the extra funds will be available by October 1, 1985.

1.376bn) and a 16.28 per cent increase in the regional fund (to Ecu 1.642bn), the proposal contains one political embarrassment which was solved once by some British Labour MEPs yesterday.

Total farm spending has been set at Ecu 19.315bn—3.7 per cent higher than this year's expected outturn—which slightly increases farming's share of the budget from 68.3 to 68.7 per cent. "This shows that the farm ministers have not reformed the Common Agricultural Policy and freed more money for other policies," said Mrs Barbara Castle, the leader of the British Labour group.

Introducing the proposals to the European Parliament—which shares some budgetary powers with the Council of Ministers—Mr Christopher Tugendhat said that the Ecu 28.1bn spending proposal was a balanced one.

It aimed at matching "what is desirable in terms of the development of policies at the Community level and what is attainable in terms of public expenditure in the Community and the requirements of sound budget discipline," said the budget commissioner.

Although the Commission has projected a 12.8 per cent rise in the EEC Social Fund (to Ecu

acknowledged that the obstacles to creating common rules out of labyrinthine national regulations on broadcasting would be formidable.

Current legislation varies widely. In Belgium, for example, no TV advertising is allowed, while Italy's celebrated amateur striptease shows on cable television would almost certainly be banned in several member states.

The Commission's approach is to propose the negotiation of minimum standards with which all countries must comply. These include agreement on a statutory Community-wide right of reply or correction which promises to provide ample scope for argument when regulations come up for debate among ministers.

Brussels sets sights on common market for TV

BY IVO DAWNAY IN STRASBOURG

THE FIRST STEP on the long road towards a "common market" for EEC television companies was taken yesterday with the publication of a discussion document by the European Commission.

The aim is to move rapidly to common rules on advertising, copyright and standards to enable free competition between broadcasting companies and free access to all Community states.

Presenting the document, Herr Karl-Heinz Narjes, the West German Commissioner responsible for the internal market, emphasised that quick progress was needed to avoid inhibiting the development of European satellite and cable broadcasting capability.

Nevertheless, it is universally acknowledged that the obstacles to creating common rules out of labyrinthine national regulations on broadcasting would be formidable.

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East-West freeze predicted after visit

MOSCOW - The Kremlin's tough line towards Herr Hans-Dietrich Genscher, West German foreign minister, who is visiting Moscow this week, has led Western diplomats to predict a deep freeze in East-West relations for the rest of 1984.

But many diplomats believe Moscow's harsh tone is only a tactical ploy to put pressure on the West and they predict Soviet policy may change next year if the present strategy fails.

Herr Genscher came to the Soviet capital to urge a return to East-West nuclear disarmament talks. He admitted failure of a press conference when he said he saw no signs that Moscow would go back to negotiations this year.

West German officials accompanying him said privately they were taken aback by the harsh language used by Mr Andrei Gromyko, the Soviet foreign minister, at bilateral talks and one said the meetings left the visitors "with very grim feelings."

"Gromyko used Genscher's visit to pile on the pressure on the West. His aim was to convince Western Europe that deployment of new U.S. missiles was a major error and bolster those groups pressing for a deployment freeze," one western diplomat said.

Other diplomats said the visit had shown once and for all that Moscow would not soften its hardline stance towards the West before the U.S. presidential elections in November.

"Genscher's talks showed there is little point in appealing to the Russians at the present time as they have no intention of moderating their policies. But things are likely to change after November," another western official said.

Those supporting this view said two specific goals may be behind the Kremlin's tough approach, which has been underlined by the boycott of the summer Olympic Games and a crackdown on the wife of dissident Mr Andrei Sakharov.

First, it could be hoping to unsettle western European governments enough to shake the commitment of those pledged to taking new U.S. cruise and Pershing missiles.

Some diplomats said Moscow would view a decision by the Dutch Government to refuse to take its allotted share of the weapons as a sign that the Kremlin approach was working.

French education row deepens

BY DAVID HOUSEGO IN PARIS

THE ROW over private education in France appeared to be coming to a head yesterday as Catholic teachers and parents associations began organising a mammoth demonstration in Paris to challenge the Government's education Bill.

Mr Jacques Chirac, the Mayor of Paris and opposition leader, also sought to capitalise on the growing anger of private school parents by offering his help in organising the march. The aim, if the go-ahead is given tomorrow, would be to eclipse the

amendments accepted by the Government would enable teachers in Catholic schools to be accredited as public employees. The Church says, this would destroy the specific identity of private schools.

The amendments would also put in doubt, after a period of eight years, the financing by the state of local authorities of private schools in which more than half the teachers had accepted public employee status.

Troop reduction talks resume despite tension

VIENNA - Long-running talks on cutting Nato and Warsaw Pact conventional forces in central Europe resume in Vienna today with little prospect for quick movement in the climate of heightened East-West tension.

Western diplomats were awaiting a formal response from the communist side to a compromise proposal offered at the end of the last round of talks on April 19. The proposal was aimed at breaking the deadlock on the vital issue of present troop strengths.

The Soviet Communist Party newspaper Pravda has already dismissed the suggestion, saying the West was clearly not trying seriously to reach an agreement.

The 19-nation talks, aimed at reducing overall troop and armament levels in Central Europe, have made no substantial progress since they opened more than 10 years ago. But they are seen by the participants as a useful forum for contacts between the two military alliances, particularly in the present climate of mistrust.

Since the latest Western proposals were tabled on April 19, the Soviet Union has taken an increasingly tough stance against the West.

Moscow has rejected U.S. proposals for a chemical weapons ban as "absurd and unacceptable," announced deployment of extra missiles in East Germany to counter U.S. nuclear weapons in western Europe, and disclosed the positioning of more submarines off the U.S. coast.

Pravda also published a fierce criticism of Western demands for more stringent verification procedures for future arms agreements, rejecting calls for ground inspections to augment satellite monitoring.

Warsaw Pact agreement to increased verification measures included in a draft agreement prepared last summer was seen by the West as the Eastern bloc's major concession so far of the Vienna talks.

East bloc ambassadors were also expected to point to a decision by Nato's defence ministers in Brussels on May 17 to boost their conventional forces. Reuter

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EUROPEAN NEWS

OVERSEAS NEWS

Wage decree victory gives boost to Craxi

BY ALAN FRIEDMAN IN MILAN

THE GOVERNMENT of Sig Bettino Craxi won an important victory yesterday as Italy's Chamber of Deputies approved the controversial decree cutting the scala mobile wage indexation system.

Although the Government won both, the Communists continued to obstruct the work of the chamber by tabling 73 priority motions which had to be voted down.

They expected the Senate might vote to approve the decree as early as next week.

Craxi's potential factor in political terms, Senate passage of the decree just days before the June 17 European elections in Italy could be a potent factor for Sig Craxi's Socialist Party.



Craxi: potent factor

Lebanon willing to safeguard Israel's northern borders

BY NORA BOUSTANY IN BEIRUT

MR RASHID KARAMI, the Lebanese Prime Minister, was quoted yesterday as saying that Lebanon would be willing to guarantee the security of Israel's northern borders.

The Prime Minister added that this would require the setting up of a special Lebanese force to replace the Israelis, who invaded Lebanon in June 1982 to drive out Palestinian guerrillas.

The Lebanese Prime Minister's offer followed a statement by President Hafez Al Assad of Syria over the weekend that Syria accepted the idea that Israel needed security guarantees in return for a withdrawal of its forces from southern Lebanon.

Mr Karami said after a Cabinet meeting yesterday he would call in ambassadors of the five permanent members of the UN seeking an investigation into arbitrary arrests, attacks and blockades of villages by Israeli soldiers.

Indian death toll mounts

NEW DELHI—More than 150 people have been killed and about 650 injured in waves of sectarian violence racking north and south west India, officials and police said yesterday.

Officials in the southwestern state of Maharashtra, hit by six days of Hindu-Muslim rioting, said that at least 140 people had died and some 280 had been hurt in bitter street clashes.

The carrying of lethal weapons was banned yesterday in Bombay, Maharashtra's state capital, and the country's financial centre, as fires raged in the nearby Thane district.

Police in the north Indian state of Punjab said that 18 people had been killed and about 30 injured in another offensive by Sikh extremists.

Two people were gunned down near Firozpur after intelligence reports had warned of extremist attacks which challenged the recent setting up of security task forces.

Sikh political leaders said they would launch a passive resistance campaign next month, intensifying agitation for religious and political concessions.

Reuters

Ariane puts Europe in business

By Peter Marsh in Kourou, French Guiana

IT WAS a beautiful experience—that was how M Edith Cresson, France's Minister for External Trade, summed up the first commercial flight yesterday of Ariane, the West European satellite launcher.

She was referring not just to the way in which the rocket took to the night sky like a giant firework at its tropical launch pad in Kourou, French Guiana.

She was also delighted at the prospect that the mission holds out for future West European forays in space technology. Said Mme Cresson: "There are not many technical ventures involving several European countries and these types of collaboration should be supported."

The launch, which took place more than two hours late due to technical hiccups in the countdown, was the first for which ArianeSpace, a mainly private company based near Paris, was responsible.

ArianeSpace's shareholders include 59 European aerospace and electronics companies



Mme Cresson... beautiful experience

and banks, though the most important backer is the French national space agency CNES, which owns one-third of the stake.

The company has firm orders for the launching of 28 satellites, plus reservations for 19 others, worth a total of some \$1bn. ArianeSpace aims to launch a rocket every two months by 1987, becoming a competitor to U.S. vehicles, such as the space shuttle in the growing business of taking satellites into space.

The competition with the U.S. was underscored by the second important aspect to the launch—it was the first time that a U.S. satellite had been lifted into orbit by anything other than an American vehicle.

Ariane took into the heavens a \$30m communications craft owned by GTE, the U.S. communications company, which will work for a year as a net, data and TV around the U.S.

Although Mme Cresson emphasised the European dimension, France has been the driving force behind Ariane. It has supplied some 70 per cent of the \$750m that the 11-nation European Space Agency has paid to develop the vehicle.

France also contributes 65 per cent of the \$50m annual running costs of the Kourou space centre which formally is an ESA establishment.

President Francois Mitterrand's government is putting up about half the \$200m that the ESA is paying to build a new heavily computerised second launch pad at the centre at Kourou.

The latter, a town of 7,000 people, has grown up in the past 15 years entirely to service the space centre. About 400 French Guianians work at the centre, together with about 400 Europeans.

It is estimated that one-fifth of the 55,000 population of French Guiana, an overseas department of France depend for their livelihood on space activities.

ArianeSpace will continue to rely on the ESA to pay for the running costs of the rocket site and for further development in Ariane, for example, to make it lift heavier satellites. In return, the company has agreed to pay the agency a royalty of 1.5 per cent of the cash it earns.

Andriana Ierodiaconou in Athens explains a quiet revolution in monetary policy Inflation 18%, interest 15%, result robbery

BY DAVID BUCHAN IN BELGRADE

HANDBAG SNATCHING is peculiarly prevalent in Greece. One reason is because the Greeks prefer to keep their cash in notes rather than in the bank.

The hey-day of handbag snatching may be drawing to a close, however. Encouraged by the Bank of Greece, the Socialist Government of Dr Andreas Papandreu has begun to simplify the Greek credit system and make it more market orientated.

It has raised the interest rate on bank savings accounts to 15 per cent, still some way short of the inflation rate of 18 per cent, but calculated to increase bank savings by the Greek private sector.

This system directed credit on preferential terms to favoured sectors of the economy and restrained the flow to others through an intricate web of ordained interest rates and quantitative controls.

The system had the perverse effect of making industrial companies—which tended to have access to the cheapest credit—the chief source of consumer and trade loans. It also invited abuses: companies would request cheap credit at higher rates, instead of investing the funds.

Ms Lonka Katseli, director of the state planning and economic research centre (Ikepe) said that, along with a tighter monetary policy, the Government had three aims in the finance and credit area: to create incentives for private savings accounts, to increase access to finance for all sectors by abolishing finance rationing, and to establish a more uniform cost of credit.

Ms Katseli said that the Government had made a number of changes. The rate of domestic credit expansion was reduced from 35 per cent in 1981 to 31 per cent in 1982, and an estimated 26 per cent in 1983.

A target of 24 per cent has been set for 1984. Growth of M3 declined from 35.7 per cent in 1981 to 29.9 per cent in 1982 and 21.2 per cent in 1983.

New limits were set on the Government's ability to borrow from the Bank of Greece to finance ordinary and investment budget deficits.

The Bank of Greece applied a penalty rate on commercial bank overdrafts with the central bank and reduced its readiness to finance preferential credits.

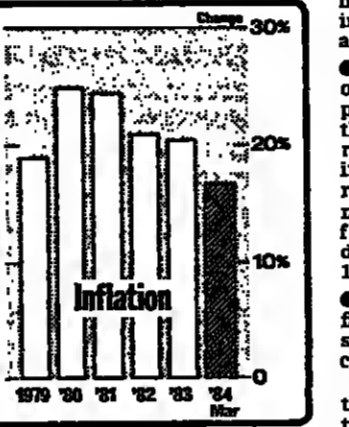
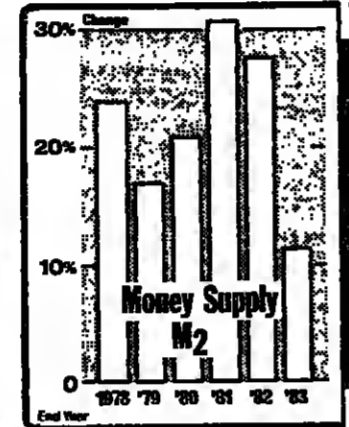
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ment and 21.5 per cent for working capital for manufacturing and trade.

The Government has been obliged to pay a more realistic price for funds it borrows from the central bank. There has recently been a 2.75 per cent increase in treasury bill interest rates to 17.5 per cent for three-month bills and 17.75 per cent for six-month bills.

Bank savings deposit rates have increased by 1.5 per cent to 15 per cent.

Further measures boosting finance to small and medium-size enterprises and to trading companies have been announced.

Government economists admit that the changes are taking time, but say that there are considerable constraints.

The subsidisation of industry through low interest rates has led to over-borrowing. If, for example, you introduce a steep rise in rates, you create serious adjustment costs for such companies.

Ms Katseli said: "We need to go through an interim period."

The ratio of borrowed to own resources of Greek companies is high by European standards.

Bank of Greece officials also conceded that in trying to curb the rate of domestic credit expansion, they are fighting an uphill battle against increasing public sector deficits.

Though the money supply and domestic credit expansion statistics since 1982 show that Government targets have been broadly met, they mask overruns in the public sector borrowing requirement, which observers estimate stood in 1983 at a stubbornly high 15.4 per cent of gross domestic product.

This figure is now down to 12 per cent, the Government said.

Bank of Greece economists say they pin their hopes of success on such factors as the increase in treasury bill interest rates.

"If money costs more for the state, then this must lead to more realistic budgets," one official said. "In future, the opportunity cost of capital must become a factor for any government to bear in mind."

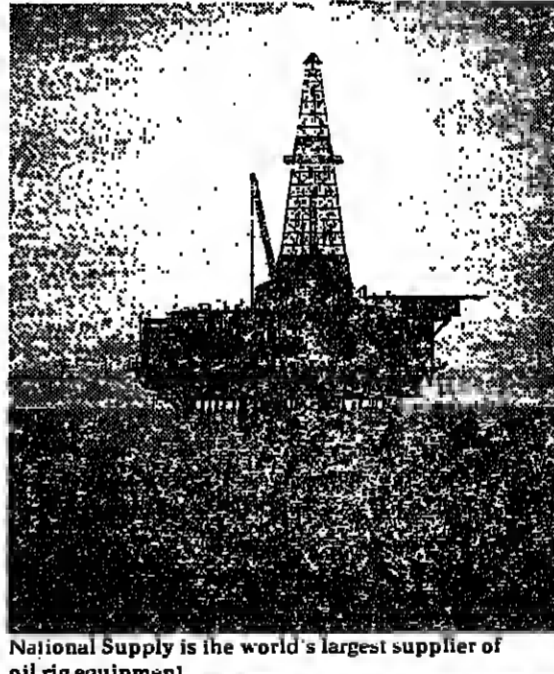
Reuters

"We were impressed by the calibre of companies in Northern Ireland—like GM, Hoechst, Du Pont, GEC, Plessey."

Charles Grant, Works Manager, NATIONAL SUPPLY COMPANY, Maydown, Northern Ireland.

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OVERSEAS NEWS

Marcos holds on to power, but crisis in the Philippines will not go away

BY CHRIS SHERWELL IN MANILA

PRESIDENT Ferdinand Marcos of the Philippines, who has the reputation of being one of Asia's wildest politicians, will need to draw on all his reserves of cunning during the next few months.

standby credit which could lead on to a rescheduling of its \$25.6bn of external debt—the second highest level of borrowing in Asia, after South Korea.

wanting to take part. The latter group was split into factions and failed to produce an alternative programme or an effective campaign.



Signs of victory from the President and his wife, but the reality is uncertainty, falling confidence and frustration

the trust of the International Monetary Fund, the country's 400-odd commercial bank creditors and probably some official donors as well, having refused to act before the campaign.

to 7bn pesos, in line with the IMF target of 1.5 per cent of gross national product.

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Advertisement for Bank of Boston. The main headline reads 'IN AMERICA, THE STREETS ARE STILL PAVED WITH GOLD.' Below this, there are several columns of text describing the bank's services and its long history in America. A large, stylized image of the Statue of Liberty is featured in the center. At the bottom, the Bank of Boston logo and name are prominently displayed, along with a list of international offices.

Gulf states pledge defence limits

ARAB oil-producing states of the Gulf have committed themselves to defending shipping against Iranian attacks within their territorial waters extending 12 miles from the coast.

West Bank settlers face 'terrorist action' charges

BY OUR TEL AVIV CORRESPONDENT TWENTY-FIVE Israelis were formally charged yesterday with forming an anti-Arab terrorist organisation in the occupied West Bank for carrying out violent attacks dating back four years.

Tokyo impasse after boycott

THE JAPANESE Government yesterday resumed through the Lower House of the Diet a motion extending the parliamentary session by 77 days.

Large advertisement for Gulf Air. The main headline reads 'Fly the Golden Falcon—the businessman's 1st choice to Abu Dhabi.' Below this, there is a detailed description of the service, including flight frequency and amenities. A large, stylized image of a Golden Falcon is featured on the right side. The Gulf Air logo and name are prominently displayed at the bottom.

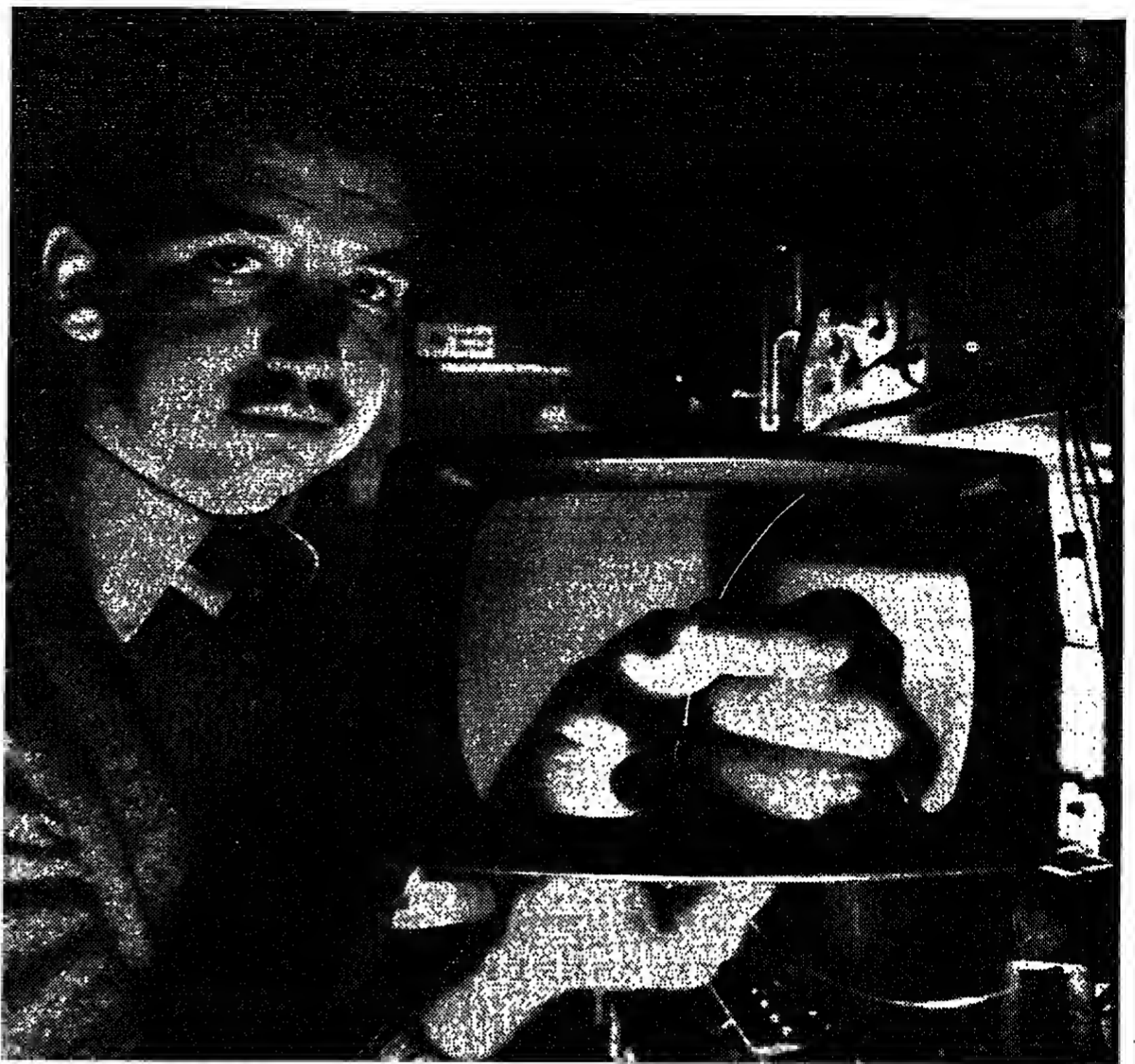
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# AMERICAN NEWS

## U.S. spends \$20m on military aid to Caribbean islands

BY CANUTE JAMES IN KINGSTON

THE U.S. earlier this month gave three new 32-ton deep water coastguard boats to the Governments of the Eastern Caribbean islands of Antigua, Dominica and St. Lucia. A year ago, such gifts would have passed unnoticed; now they are seen as an integral part of the growing militarisation of the region since the U.S. invasion of Grenada last October.

The gift of the boats follows the start of intensive U.S. army and police training sessions for local officers on five islands—Antigua, Dominica, St. Vincent, St. Lucia and Barbados. In the case of islands like Dominica an army is being created from scratch.

A regional army is also being formed, spearheaded by Barbados, to act as a strike force against any threats to the neighbouring islands. Eastern Caribbean Government officials say that the object of efforts to arm the islands and create the

multinational army is to prevent "another Grenada."

The presence of the military and police training teams, and the delivery of the coastguard boats, equipped with 50 mm guns, is also reinforcing the political and military presence of the U.S. in an area which Washington has consistently regarded as being of strategic interest.

U.S. influence has grown significantly since the Grenada invasion, but was increasing over the past few years as several of the Caribbean islands obtained political independence from Britain.

Now, with a diplomatic setback to Cuba following the overthrow of the Bishop Government in Grenada, the U.S. is happily making capital of the power vacuum. A strong military presence and influence on the Eastern rim of the Caribbean will reinforce its existing military facilities at



Guantanamo Bay, Cuba (held under lease), and in Puerto Rico to the North.

The U.S. military training teams in the Caribbean islands have concentrated their early efforts on upgrading the skills of the 450-member Caribbean force which has been on duty in Grenada since the invasion. They have been receiving the same lessons in weapons handling and military procedures as are being taught to recruits who will form the nucleus of the new national armies.

Three years ago the Dominican Government survived an up-

rising, and in 1979, Barbados sent troops to put down a rebellion on one of the islands administered by St. Vincent. Fears of more events of this kind have given rise to the plans for the creation of a multinational army for the region.

The force will be based on a defence pact agreed in 1982 by Barbados, Dominica, St. Lucia, Antigua and St. Vincent, which allowed any of these countries to volunteer troops in the case of a military crisis in another.

Under the defence pact, however, there was no standing army. The idea of one has been promoted by Mr. Tom Adams, Prime Minister of Barbados. He said it would provide protection against mercenary adventure, other external aggression, domestic revolution and other violence.

"My feeling is that one regional army, rather than a number of national armies, would give us additional safeguards, namely the protection of small governments against their own armed forces," Mr. Adams explained.

The regional force will have its headquarters in Barbados, and will have a command structure made up of officers from the different countries, but who are not involved in their national armies. This, it appears, will give the force the flexibility to move against army officers seeking to overthrow any of the Eastern Caribbean Governments.

With a projected complement of 1,000 men, the regional force will be relatively small, but still costly for the weak economies of the contributing countries. Expense, however, is unlikely to prove a deterrent. Eastern Caribbean Governments are said to be confident that the U.S. will underwrite the funding of the multinational force.

## Caribbean growth prospects remain poor, says bank

BY CANUTE JAMES IN KINGSTON

THE Caribbean Development Bank in its latest annual report, sees little prospect of meaningful improvement in regional economies in the next 18 months because of the slow growth forecast in western industrialised countries.

The Barbados-based institution has suggested the only way Caribbean countries can deal with their mounting problems is to structurally adjust their economies.

The bank finances development projects in the English-speaking Caribbean, but more than a half of its total resources of \$454.4m are subscribed by its non-borrowing members, mainly the U.S., the U.K., Canada, Mexico, Venezuela and Colombia.

The report said the poor performance of Caribbean economies last year was because "commodity prices remained depressed and currency market developments and the differential in economic growth rates between the U.S. and Europe had some negative effects on domestic earnings in the region."

Demand for bauxite and petroleum continue to stagnate.

Jamaica and Guyana, the groups bauxite producers, record a cumulative 7.1 per cent fall in output, the report said.

Jamaica's production fell to 7.7m tonnes, while Guyana recorded 1.1m tonnes.

Trinidad and Tobago petroleum output fell by 7.7 per cent. The bank describes as "serious" the performance of the regions commodity exports. Raw sugar output fell from 805,000 tonnes in 1982 to 784,000 tonnes last year.

The poor performance of the region's economies would have been worse were it not for an increase in the volume of tourists, said the report.

"Generally, the outlook is for slow growth in the Organisation of Economic Co-operation and Development countries during 1984 and into 1985," the bank says.

Mr. William Demas, the bank president, said the institution would be considering a proposal from Edward Seagan, Jamaica's Prime Minister, that the bank's funds be used to help some members finance repayment of their short-term debt.

### MANAGEMENT AMIDST DIVERSIFICATION

# A STITCH IN TIME HELPS BROTHER TO EXPAND

Kazuaki Tazaki, Managing Director, Brother International Europe Ltd.

**M**asayoshi Yasui, a man of many ideas, dreamed in his childhood of inventing an umbrella-protected bicycle for all seasons. But, instead, when he grew up, he developed a sewing machine that formed the basis for his company's eventual diversification into a major international producer of home, industrial sewing and office automated machines. Masayoshi and Jitsueichi Yasui developed an iron industrial sewing machine for stitching straw hats in 1928, and followed it six years later with the first home sewing machine under the brand name "Brother". In 1934, the Brother Company still makes sewing machines, now computerised—with the latest model possessing a synthesized voice that instructs the novice on the do's and don'ts of good sewing. From the sewing machine technology, however, Brother diversified in 1961 into typewriters, producing its 14 millionth machine last year and becoming one of the world's major producers, used in more than 100 countries in 27 different languages. In the 1980's, the company has moved strongly into electronic typewriters and printers with built-in computer memories, along with electronics-based home products like washing machines, microwave ovens and knitting machines. By the end of 1983, Brother's accumulated production of all products surpassed 63 million units. The company has been part of the U.K. business scene since the late 1950's and a perspective on its operation here is provided by Kazuaki Tazaki, Managing Director of Brother International Europe Ltd. based in the U.K.

strong production emphasis on quality and design, as well as good local after-sales service. Brother now operates through 14 local associates or affiliates throughout Europe. We have an office in the major cities of every European country and they are the backbone of a total European operation with a multi-million pound turnover. One of the major attractions of Britain, and other parts of Europe, too, is the strong economic and political stability which prevails as well as the spirit of freedom in every sense.

**Murray:** How would you describe Brother's basic management philosophy for doing business in the British market, or elsewhere in Europe?



**Tazaki:** I believe the most important basic attitudes are simplicity, honesty, fairness and loyalty in dealing with both staff and customers. As far as the U.K. operation is concerned, it is also very important that it be regarded as a "British" company, able to make all the important business decisions independently.

**"Strong Believer in Localisation"**

**Murray:** So, this means localisation of all your European operations?

**Tazaki:** Yes. But to me, the most important thing is for my Japanese staff to become localised, to become integrated with the people of British and local society. Without this, it will be difficult to carry out smooth business operations with proper understanding. As for the other aspect of "localisation," the hiring of local staff we currently have more than 650 working throughout Europe and 280 of them in Britain. Of this

number, about seven percent occupy senior managerial posts, such as works directors, financial and sales directors, general managers and marketing managers. They are fully responsible in their own work area and are expected to make the necessary day-to-day operating decisions. Some of them are also involved in high level strategic and corporate decision-making from time to time. I think the most important aspect is that the sales directors and marketing managers influence the tailoring of products to the local markets. However, this area has become a lot more complex as the nature of the products has increasingly required a high level of technicality. It used to be that the price and design or look of the products decided their success or failure. This is no longer the case. Our most successful products today have a combination of mechanical and electronic parts—the so-called products of the "mechatronic era". Examples are the Brother Compal Galaxies, electronically-controlled sewing machines that talk, electronic knitting machines, electronic office

typewriters, electronic daisy wheel printers and dot matrix printers. Because of a rather rapid change of circumstances and of product, the directive in product development is now coming from Japan rather than the U.K. or other parts of Europe, as was the case until the end of the 1970's. However, we have just begun to alter the situation once again so that the leading directive for product development will come from Europe, particularly from the U.K., by investing in new product research and development facilities in Manchester. The initial investment will total one million pounds for the building and equipment, and there is a prospect of some new engineering jobs being created.

### "Typewriters and Printers Promise"

**Murray:** What are the most important Brother products in the U.K. market now and where do you see the major future growth?

**Tazaki:** Brother products can be divided into five categories, each of them very important to us. We reckon our market share to be approximately 22 to 25 percent for home sewing machines, 30-35 percent in industrial sewing machines, 50-55 percent in knitting machines, 10-12 percent of all typewriters and 20 percent of the daisy wheel printers. We feel the most significant changes in market demand will occur in the typewriter and printer sectors and we have been developing our strategy to fully cope with these changes.

**Murray:** How would you describe your business strategy from now on?

**Tazaki:** In one word—"specialisation". In order to stay

abreast of the fast advancing product technology, we need to have "specialist engineers," "specialist salesmen" and "specialist managers". This "specialisation" becomes effective when people are prepared to challenge any given situation.

**Murray:** Where do you go from now?

**Tazaki:** Brother has continued to grow with a policy of diversification in products, production and in marketing. We started our European operations by making sewing machines in Dublin 26 years ago. As part of our Silver Jubilee celebrations last year we considered diversifying into electronic typewriter production in Europe. Unfortunately, nothing concrete has been decided and the feasibility study is still continuing. Our parent company, Brother Industries Ltd., celebrated its 50th anniversary early this year, and it also coincides with the 30th anniversary of Brother International Corporation, Japan, which looks after most of the overseas business. At such an auspicious moment something has to be made to happen...and it should be something that will benefit the local society of both the U.K. and the rest of Europe.

**Murray:** How would you sum up your thoughts on business diversification?

**Tazaki:** Business diversification is a necessity. Why? Because it gives more people increased opportunities to look at the reality of different areas, to rebel against the old systems and to keep themselves constantly fresh and flexible.

### "Redeploying Human Resources"

Like many Japanese manufacturing companies, Brother is actively engaged in making full use of the latest automated production technology to free its staff from routine assembly line tasks and redeploy them in more creative and satisfying fields—such as research and development, sales and marketing. One example is the "Flexible Manufacturing System (FMS)" in operation at its Mizuho plant in Nagoya, which manages the complicated task of machining and processing a wide range of overlock sewing machine models in small, made-to-order production lots, manned by just two workers. Before the assembly line was automated, 26 workers produced 600 machines a month; now, the two workers controlling the FMS can produce 3,000 machines a month. All of the automated robots and other facilities were developed by Brother engineers and built at Brother factories.



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### CIA director accused over Carter papers

By Reginald Dale, U.S. Editor, in Washington

MR WILLIAM CASEY, President Ronald Reagan's controversial director of the Central Intelligence Agency (CIA), faced fresh political trouble yesterday after a congressional subcommittee questioned his credibility in the "debategate" affair—the acquisition of confidential Carter campaign briefing papers by Mr Reagan's election team in 1980.

After a 10-month investigation, the committee charged Mr Casey and other Reagan campaign officials with having made "organized efforts" to obtain confidential documents from the Carter campaign.

The briefing papers were reportedly used to prepare Mr Reagan for the crucial election-eve debate with Mr Carter, then President. The debate is widely believed to have helped ensure Mr Reagan's victory.

In a 2,400-page report, the committee said that the "better evidence" indicated that Carter debate briefing material entered the Reagan-Bush campaign through Mr Casey, who was Mr Reagan's campaign manager. The report urged that a special prosecutor be appointed to investigate the conflicting testimony and vague memories of those involved.

The report, while not implicating Mr Reagan in the affair, could prove a serious embarrassment to the White House in the current election year.

The committee released a sworn affidavit from Mr Casey in which he said: "To the best of my recollection, I did not receive or pass on the briefing materials, nor did I authorize or direct any person to obtain the briefing materials."

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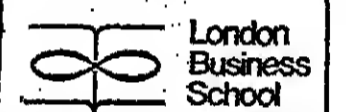
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**Unitary tax 'will not be ended this year'**

By Nancy Dunne in Washington

THE REPORT of the Reagan Administration's working group on unitary taxation recommending an end to the state practice of taxing foreign multinationals on their overseas earnings, will have little impact or any at all this year, says Mr Martin Miller, President of State and Federal Associates, a group which monitors legislative action in all 50 states.

The failure of the working group on May 1 to recommend alternative revenue-raising schemes for the states and to decide the question of taxing foreign dividends, earned by domestic multinationals, has seriously weakened the Administration's effort to settle the matter, he says.

Now, when a state searches for money to offset the loss of revenues through abandonment of unitary taxation, U.S. companies will be at odds on what to recommend. Smaller U.S. businessmen are bound to oppose new legislation which allows foreign multinationals from "paying their fair share."

Of the 12 states which globally apply unitary taxation, only three can still act this late in the year to introduce modifying legislation, he says.

In California, Governor George Deukmejian, formerly a strong supporter of unitary taxation has recommended taxing only U.S. earnings and assets, a so-called retreat to "waters edge." While the Republican legislative leadership is behind the Governor, the Democrats, which control the legislature, have yet to agree on a position.

In Massachusetts the Governor has also recommended abandoning the tax on a world wide basis. However, he has tied legislative changes to a funding mechanism which would finance infrastructure rehabilitation, and he wants the business community to promise it substantial assistance.

Governor Bob Graham of Florida has followed the recommendation of a state commission in calling for the repeal of unitary tax. However, State House legislators have said they will not act before alternative source of revenue is found.

Nancy Dunne reports on the work—and rivalry—of the Commerce Department and the Customs Service

**How Washington agencies enforce export controls**

"It's harvest time," says Mr Ted Wu with no little satisfaction. The Commerce Department's export control enforcement programme he came to Washington to cultivate two years ago is beginning to bear fruit, he says. Last month a federal judge fined a Swedish company, Datasab Contracting AB, a record \$3.12m for providing the Soviet Union with equipment, parts, training and technology used to develop a sophisticated military air traffic control system. Other cases, painstakingly constructed by U.S. Commerce Department investigators, are moving through the pipeline, and Mr Wu is hoping for large fines and prison sentences for the convicted.

It takes many months, sometimes years, says Mr Wu, successfully to prosecute a criminal case against "white-collar" violators of export controls, but it is part of his strategy to deter transgressions by convincing the courts to impose severe penalties. "Since July, 1982, we have referred three times as many cases to the Justice Department for prosecution as the department referred in the three preceding years," he says. The department also is pursuing a preventative public awareness programme to get

private sector support for export controls, and to enlist the co-operation of the CoCom countries. Believing that the multinational approach to enforcement is the most effective, the department has sponsored exchange visits with export control teams from the UK and Japan and is planning a session with the Dutch this summer. Although the Administration's export control policies have created friction with its trading partners, particularly over issues of extraterritoriality, control awareness has been raised considerably in the CoCom group, Mr Wu says. In fact, in the Datasab case, the department was ignorant of the violations until the firm's parent company, Telefonaktiebolaget L. M. Ericsson, brought the information to its notice. In the 1970s enforcement of the Export Administration Act, which gives the President authority to impose export controls, was virtually non-existent. But the Administration's concern over high technology transfers brought the Department's export control and enforcement programme substantial budget increases and expanded manpower. The old compliance division in the Office of Export Administration (OEA) was abolished and a separate Office of Export En-

forcement, which Mr Wu heads, was established with 90 highly trained investigators, intelligence experts and analysts. The priority given export controls also prompted a divisive rivalry between the Commerce Department and the Customs Service, which in 1981

and munitions items valued at more than \$170m. While customs officials say that only one-tenth of 1 per cent of U.S. exports are stopped, shippers complain that inspectors are overzealous to the extreme and tie up legitimate exports for weeks. Com-

merce officials say at least 98 per cent of the shipments stopped are inadvertent violations, which are ultimately sent abroad. The Customs Department's wide net, however, has taken some big catches, including an advanced "VAX" computer en route to the Soviet Union, a diesel block assembly line intended for the Soviets' Kama

river truck plant, a computerised airborne spectral scanner with military potential, also destined for the USSR military aircraft parts for Libya and stolen firearms headed for the Irish Republican Army. "The Customs Service is involved in a number of lengthy and complicated investigations into conspiracies which, when they become public knowledge, will shake the high technology industry to its roots," says Mr William von Rahb, head of the Customs Service. "Our investigators have uncovered wide gaps in America's ability to keep our technology safe from our adversaries."

However, the Commerce Department says the major cases have not been the result of cargo inspection, but of "well-planned and methodically executed investigatory activities, which we can do best."

Mr Wu says his division's access to information from the Office of Export Administration brings "significant benefits" to enforcement "as does the department's close relationship with the business community." The department also has the power to impose administrative sanctions, such as the temporary denial of export privileges to individuals or com-

panies under investigation. The White House has attempted to impose a truce on the competing agencies. In January they signed an agreement, designating the Commerce Department as the principal enforcement agency, but Customs was made responsible for most of the liaison with foreign enforcement forces.

In March, the President signed an order directing "vigorous implementation" of the January truce and further ordered Customs to hand over information to Commerce about current investigations.

The dispute has spilled over into Congressional negotiations over a new Export Administration Act. In the House of Representatives, where Operation Exodus is looked on as an expensive enforcement tool, lead has been granted to Commerce. The Senate however, prefers to give more authority to customs.

Unless the Senate version is accepted in the final Bill, an aide to one powerful Senator, "there will be no new EEA." With no new legislation, the Administration will have failed to show a united front at home on export controls and can expect additional difficulty selling its concerns to its already sceptical trading partners.

**EEC row traps U.S. ski maker**

BY PAUL CHEESRIGHT IN BRUSSELS

OLIN SKIS of Connecticut is caught in the middle of a trade dispute it had no part in starting. It is a victim of the running steel dispute between the U.S. and the EEC.

A subsidiary of Olin Corporation, the U.S. conglomerate, it is a small company whose international trade scarcely causes a ripple on the stream of commerce. But it is trying to create a market in the EEC for skis.

The problem came when the EEC was searching around for products whose imports it could restrict as retaliation under the rules of the General Agreement on Tariffs and Trade, for the decision of the Reagan Administration to put quotas and higher tariffs on speciality steel imports.

Ski equipment was included in the list, so that from March 12 imports are restricted over 12 months to Ecu 7.5m

(\$6.1m). Its inclusion was rumoured long before. Olin wrote to the European Commission in January, pointing out that the EEC tariff on skis is in any case higher than that of the U.S. tariff. But it received no reply.

There was time to take preventive action. Mr Richard Dent, the managing director of European operations, explained that 2,500 pairs of skis in stock in Switzerland were moved into France and Germany before the quota came into effect. Shipments came in from the U.S.

"We've postponed the problem, so that our sales won't be immediately reduced. But the quota is there for four years. The problem comes next year," said Mr Dent.

Then Olin's rapid growth in the market will slow down. Sales have doubled over the

last four years. Last year, at the top end of the market when it has a 5 per cent share, about 10,000 pairs worth a \$1m at manufacturers' prices were sold in the EEC, where France and Germany are the target markets.

Total Olin Skis production is running at 130,000 pairs a year and it is one of the two major U.S. exporters of skis, the other being K2 Ski of Washington state.

If production slows, so will its purchases of speciality steel, a thin profile of which goes round the edge of the ski. The steel—\$150,000 worth of it a year—comes, paradoxically, from the EEC.

But the steel in question has a tariff classification which is not included in the list of products on which the U.S. has imposed restrictive measures. So Olin is not a player in the basic steel dispute.

**Japanese group to launch car hydrogen engine**

BY DAVID BARCHARD IN ANKARA

EUROPEAN HOPES of winning a tender from Turkish Airlines for three medium haul A-310 Airbus airliners are rising after a visit to Ankara this week by Herr Frank Josef Strauss, the Bavarian Prime Minister.

Herr Strauss is understood to have offered the Turkish Government 100 per cent credit for the total purchase of approximately \$150m. Some 55 per cent of the credits would be supplied by Hermes, the West German export credit agency, and the remainder would be in the form of suppliers' credits.

Herr Strauss flew out of Istanbul yesterday after seeing President Kenan Evren, Prime Minister Turgut Ozal and the Deputy Prime Minister, Mr Kaya Erdem.

European diplomats in Ankara say the A-310 Airbus now has a "50-50" chance of winning the tender, compared to virtually no change a few months ago. However, Turkey has traditionally bought planes from North American manufacturers and Boeing's 737 remains the favourite to win the tender.

**Strauss offers Turkey an attractive Airbus deal**

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**UK, Lagos resume talks on trade debts**

By Quentin Peel, Africa Editor

NIGERIAN AND British officials are to hold a new round of talks today to discuss arrangements for refinancing some £900m in arrears of trade payments insured by Britain's Export Credits Guarantee Department (ECGD).

A senior official from the French Treasury is also expected to attend the talks, to underline the intention to reach a multilateral deal covering more than £2bn in estimated trade arrears affecting all Nigeria's major trading partners.

Officials in Whitehall insist that the talks—to be held at both the ECGD's offices and at the Treasury—will be "preliminary and exploratory", rather than substantive negotiations, which cannot take place until Nigeria has reached an agreement with the International Monetary Fund on a balance of payments loan and economic stabilisation programme.

Progress in the IMF negotiations, the latest round of which ended in Lagos last week, is likely to be a key focus of attention at today's meetings. The other major area of concern to the ECGD is the interest rate and other charges payable on any refinancing of the backlog.

The Nigerian proposal is to refinance the backlog on broadly the same terms as already proposed to uninsured creditors: over a six-year period, with 2½ years grace, and carrying an interest rate of one per cent over the London Interbank Offer Rate (Libor).

The ECGD has suggested that the £90m British exports be refinanced with a commercial bank loan to Nigeria, but in turn insured by the Department, and Barclays has already been chosen to syndicate the loan. Other export credit agencies like France's Cofecre and Hermes of West Germany are expected to refinance payments from their own resources.

However, finalisation of any deal has been held up by lack of any agreement between Nigeria and the IMF on a proposed three-year credit of up to \$3.2bn, and by the insistence on a multilateral arrangement.

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UK NEWS

Bank governor forms group to advise on City

BY DAVID LASCELLES AND JOHN MOORE

MR Robin Leigh-Pemberton, Governor of the Bank of England, has appointed a group of leading City of London figures to advise him on how the fast-changing securities industry can regulate itself.

The group has been asked to advise Mr Leigh-Pemberton within three months on the changes which will be needed. The formation of the group was welcomed by Mr Norman Tebbit, Trade and Industry Secretary, whose department is working on a report on investor protection prepared by Professor Jim Gow. In a move which caught the City by surprise, Mr Tebbit revealed that he is considering forming a similar group for the insurance industry, for which his department is responsible.

Mr Leigh-Pemberton's initiative is an attempt to advance the debate over City reform to the point where workable proposals can be shaped. The 10-man group, to be headed by Mr Martin Jacob, vice-chairman of Kleinwort Benson, the merchant bank, consists of leading personalities from the London Stock Exchange, banking, insurance and investment management. They include Sir Nicholas Goodson, the stock exchange chairman, Sir Jeremy Morse, the chairman of Lloyds Bank, and Mr John Markaire, the chairman of Mercantile House, the fast-growing financial services company.

Commons sitting kills off Wednesday

By Peter Riddell, Political Editor

WEDNESDAY disappeared and Thursday became Tuesday as the House of Commons held one of its longest sittings in the past century.

The cause was the Local Government (Interim Provisions) Bill which suspends next year's Greater London Council and Metropolitan County elections pending the abolition of these authorities.

Debate started at tea time on Tuesday and continued until well into last night, a total sitting rivaling the 31 hours spent discussing the Price Commission seven years ago, though still short of such belated epics as the 34½ hours on the Unemployment Assistant Regulations of July 1983 and the 41½ hours on the Corcoran Bill (Ireland) of January 1981. When the Speaker personally intervened to close discussion.

In yesterday's marathon (that is, Tuesday's, according to House of Commons time) there were 46 points of order and well over 100 speeches as Liberal and Alliance MPs sought to embarrass the Labour leadership by speaking through the night and claiming to take the lead in opposing the Bill. In the process a public clash was provoked between some Labour MPs and one of them had to be physically restrained.

The Alliance tactic partly backfired, however, since when the committee stage on the Bill eventually ended, the Tories moved that the Third Reading debate scheduled for today should be brought forward and held immediately. Hence, the Government had the last laugh by getting its Bill through the Commons a day early.

Much of Wednesday's business - chiefly the emergency debate on the closure of BL's Bathgate plant - has been rearranged for today, much to the anger of the many trade unions who had travelled from Scotland yesterday to hear MPs debate the shutdown.

Lawson seeks to calm fears over borrowing

BY PHILIP STEPHENS

MR NIGEL LAWSON, the Chancellor of the Exchequer, last night sought to calm fears that the present pace of public borrowing and money supply growth may signal renewed inflationary pressures and higher interest rates.

Addressing the Confederation of British Industry's annual dinner, he hinted that both the public sector borrowing requirement (PSBR) and the broad measure of the money supply, sterling M3, would grow strongly in coming months. An £2.4bn PSBR in April, the first month of the 1984-85 financial year, provoked concern in the City of London that the Government would not be able to keep to its spending limits this year, and that the £7.25bn borrowing target for the whole year would be exceeded.

Mr Lawson said that borrowing would be more concentrated than usual in the first half of the year with almost all of the PSBR occurring in the first six months.

He also sought to ease concern that the present high level of private credit expansion could endanger his monetary targets. Britain's low level of public sector borrowing left ample room for higher private sector borrowing, he said.

Bathgate workers extend sit-in

BY BRIAN GROOM AND MARK MEREDITH

WORKERS ARE fighting closure of Leyland Truck's Bathgate plant, West of Edinburgh, by continuing a sit-in in the hope of disrupting production in other parts of the company's truck operation.

The Government and BL announced on Tuesday that the factory would close over the next two years with the loss of all 1,770 jobs. "We will try to close down Leyland Vehicles to force them and the Government back to the negotiating table to try to get the funds needed for the whole of the company and for Bathgate in particular," Mr Jim Swan, the Bathgate union convenor, said yesterday. Bathgate workers want invest-

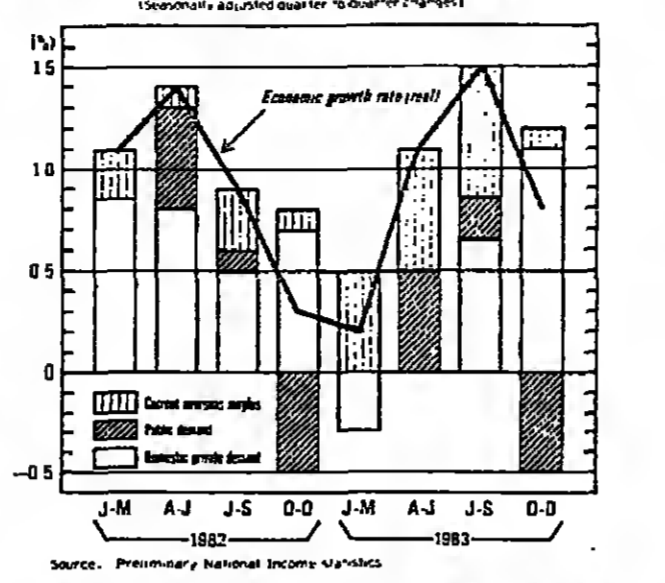
ment to develop a medium-size range of trucks for which they believe there would be international demand. Unlike the precipitous nature of other big industrial closures in

Scotland, Scottish Office officials feel they have a breathing space of about 18 months to try to salvage some of the jobs, skills and the plant at Bathgate. One thin line of inquiry will be the U.S. Cummins engine company which had an agreement with Ley-

land to build its new series of Family One engines at Bathgate. Leyland planned to invest £30m tooling up for the new engine.

Cummins said after the closure announcement that it would want to go ahead and make the new engine in Britain on its own and probably link the work to one of its plants at Shotts, Lanarkshire, Daventry or Darlington. Cummins has excess capacity in engine production at its three UK factories and has just spent £30m improving its works at Shotts. The Bathgate engine assembly plant is in the middle of the huge 1.1m sq ft complex which might make it difficult to isolate or sell-off separately.

Recent Trends in Real Economic Growth Rate and Major Demand Items' Rates of Contribution



Source: Preliminary National Income Statistics

investment, expenditures for plants and equipment appear to be continuing firm. Orders for machinery exclusive of those of ships and those placed by the electric power industry rose 6.7 per cent after seasonal adjustment in the October-December period of last year over the preceding period. They scored an 18.5 per cent rise in January.

According to the Bank of Japan's short-term business outlook survey (taken in February 1984), many medium-sized and smaller enterprises are revising their estimated capital investment for the six months that ended this March. In addition, investment for expansion planned by leading corporations in the manufacturing industry for fiscal 1984 represents an increase over the preceding year, swinging from a decrease. The trend presumably reflects attenuation of a feeling of excessive capacity along with a rising operating rate to keep up with an increase in production.

The national income statistics for the last three months of 1983 showed a considerable rise in inventory investment. Manufacturers' finished products inventories (seasonally adjusted) rose 6.5 per cent and 1.2 per cent over a year earlier in January and February, respectively, while raw materials inventories dropped 1.3 per cent in January. Given a firm trend of final demand, centering on exports and capital investment, inventory investment will likely

maintain a moderate uptrend for the time being.

Corporate finance increasingly relaxed Compared with the year-earlier level, city banks' outstanding lending was 10.7 per cent higher at the end of December 1983, and 11.1 per cent up at the end of March 1984. The year-to-year increase at the end of December was particularly sharp in lending to the financial and insurance industries (up 33.9 per cent) and leasing (32.7 per cent), but was small in lending to the manufacturing industry (4.6 per cent) and the wholesale and retail sectors (7.5 per cent). These trends indicate that fund demand to be generated by business recovery is not yet full-fledged. But lending to smaller enterprises in both manufacturing and the wholesale and retail sectors is stronger than average.

Under the circumstances, the net lending increase allowed under the Bank of Japan's "window guidance" is set at 51.6 per cent over a year earlier for the April-June period, compared with 21.6 per cent for the preceding three months. The generous increase means banks should be well prepared to meet an upsurge in fund demand that is expected to come along with full-blown business recovery. In addition to the quantitative relaxation of credit, the long-term prime rate was lowered to 7.9 per cent, effective March 28.

DKB ECONOMIC REPORT

Japan's recovery trend receives added strength from firmer corporate demand

When the Japanese economy began to recover a year ago, the cause was a surge in exports to the U.S. The strong expansion of the American economy has since been a major element sustaining the business recovery in Japan; added to this in recent months is a gradual strengthening of domestic demand in private sectors.

According to the national income statistics released in mid-March, the inflation-adjusted gross national product grew 0.8 per cent after seasonal adjustment in the last three months of 1983 over the preceding period. The gain was smaller than the preceding quarter's 1.5 per cent, but it was characterized by a notably strong expansion of private domestic demand, which contributed 1.1 percentage points to the overall growth. Despite the slowdown of the overall growth rate, therefore, the recovery trend may safely be considered to have become more solid.

As for the ingredients of domestic demand, housing and business capital expenditures showed higher growth rates, while inventory accumulation also turned positive. Consumption expenditures grew at a slower pace, however. By contrast, the contribution by the current overseas surplus, a main factor for economic growth in the July-September period, shrank to 0.1 percentage point because a sharp increase in imports cancelled out a continuously strong growth of exports. Public demand, on the other hand, accounted for minus 0.5 per cent of the last quarter's economic growth. The weakness in this sector of the economy was a result of the front-loading of public works investment in the early months of fiscal 1983.

Continued rise in exports and imports How has each demand factor been faring after the last quarter of 1983? Exports increased 3.9 per cent in volume on a customs clearance basis in January over the preceding month after seasonal adjustment, followed by another strong gain of 3.3 per cent in February. In dollar value, exports in February were up 29 per cent over a year earlier. By market, the gain was remarkable at 53.9 per cent in shipments to the U.S. By commodity, office machinery (up 72.5 per cent), electronics products, including semiconductors, (up 63.3 per cent), and tape recorders, (up 42.4 per cent) continued to mark exceptionally strong gains.

However, growth in exports is considered likely to become more moderate in a couple of months because the value of export letters of credit in volume during January through March showed a only marginal gain of 0.1 per cent over the preceding three months (after seasonal adjustment). Seasonally adjusted imports declined 3 per cent in volume from the preceding month in January, but surged 5.1 per cent in February. Compared with the level of a year earlier, the dollar value of February imports were up 14.8 per cent, with those from the U.S. and EC countries scoring particularly sharp gains (31 per cent and 33.6 per cent, respectively). All commodity groups recorded increases, with the exception of lumber (down 14 per cent), crude and raw oil (down 0.5 per cent, but up 14.4 per cent in volume), and liquefied petroleum gas (down 24.8 per cent). The surge of imports reflected expansion of aggregate domestic demand and is expected to continue to do so in the months ahead.

Recovery of personal demand lagging What about demand from domestic personal sectors? Personal consumption is at a somewhat standstill. Consumption expenditures by households of all categories decreased 1.3 per cent from a year earlier in January; moreover, when adjusted to inflation, they dropped 3 per cent. The drop was partly attributable to the influences of the

colder-than-normal weather and heavy snowfalls, but by far the largest factor was the slow growth of income. Wage earners' inflation-adjusted income (exclusive of disavances) grew by a mere 1.4 per cent over a year earlier in January. Their real disposable income (after setting aside taxes, social security contributions and other nonconsumption expenditures) also showed a small rise of 1.1 per cent.

Sluggishness in personal consumption in February was also evident from sales at supermarkets and department stores. Sales at these large-scale retail outlets rose 4.7 per cent over a year earlier in January, and a strong 7.4 per cent in February. The February figure was deceptive as it reflected the fact that the month had one extra day due to the leap year, and, when adjustment was made for this, the growth rate diminished to 3.7 per cent.

Another indicator of weakness of consumption is the level of the outstanding balance of Bank of Japan notes issued (the monthly average), which, compared with the year-earlier level, was up 3.9 per cent in January, 3.4 per cent in February and 3.1 per cent in March. All told, the future trend of consumption appears to depend critically on an increase in income. Improvement is anticipated in this respect on the strength of increasing corporate earnings and better employment situations.

As for housing investment, housing starts dropped 11.7 per cent from a year earlier in January and rebounded in February but only by 2.8 per cent. A trend of major concern is that housing starts in the Tokyo and Osaka metropolitan areas trailed the year-earlier level. Construction of housing units for rental purposes, however, continued strong, up 23.1 per cent over a year earlier in February.

Moderate rise starts in inventory investment As for the trend of corporate

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UK NEWS

First coal strike talks end in rapid breakdown

BY JOHN LLOYD, INDUSTRIAL EDITOR

THE FIRST TALKS between the National Coal Board (NCB) and the National Union of Mineworkers (NUM) since the start of the coal dispute over 10 weeks ago collapsed yesterday after less than an hour amid heated recriminations.

The immediate impression given by both sides afterwards was that the talks had exacerbated, rather than cooled, the already bitter dispute.

Mr Arthur Scargill, the NUM president, said: "We shall do everything in our power to step up the present action." He appealed to miners still working to join the strike and to other unions to give "physical support" to the NUM.

Mr Ian MacGregor, coal board chairman, clearly angry after the meeting, said: "Mr Scargill has a total disregard not only for this industry and the people who work in it, but also for the people of this country." He said the miners' president was sacrificing his members on the altar of his political goals.

The two sides gave widely differing accounts of the ending of the meeting. Mr Scargill said he asked for the NCB's plans to reduce capacity by 4m tonnes - with the loss of roughly 20,000 jobs - to be withdrawn to allow negotiations to start without preconditions. Mr MacGregor then said - in Mr Scargill's version - "So, I have no comment," and

led a walkout of the board.

The NCB agreed that Mr Scargill had asked for the plans to be withdrawn to allow discussions. The union had declined an invitation to further discussions without preconditions.

The general council of the Trades Union Congress (TUC) yesterday gave "full support" to the NUM, but its declaration was tinged with caution and amounted to moral backing rather than practical assistance.

The council made no attempt to become directly involved in seeking a settlement but agreed that Mr Len Murray, general secretary of the TUC, should keep in touch with the NUM.

'I want to work - I'm going to'

MR PETER BARTON will this morning cross his striking workmates' picket line at Shirebrook colliery in North Derbyshire, as he has done every working day for the past 11 weeks.

He will do so in spite of a decision by the area executive of the National Union of Mineworkers (NUM) to suspend from union membership himself and others who have continued to work in defiance of the executive's instructions.

With 15 years of NUM membership behind him since he left school to go down the pit, Mr Barton is comforted by a High Court injunction granted yesterday to miners working in Lancashire. The injunction stays a similar decision by the Lancashire union executive.

"I have been working since the beginning," Mr Barton, 31, said. "I want to work - and that's what I'm going to do."

In neighbouring Nottinghamshire, tensions between strikers and those working have been high enough for Mr Leon Brittan, the Home Secretary, to form anti-intimidation police squads to patrol the pit villages.

There, at least, those working have been in a majority and have been able to give support to each other. Most pits in North Derbyshire have been shut since the start of the dispute with most miners on strike - leaving the few working like Mr Barton isolated and open to some rough persuasion.

A big tough-looking man - he does one of the hardest jobs in the pit, driving oer roadways into freshly opened coal seams - Mr Barton is no-one's idea of an easy target for intimidation.

Politically, Mr Barton is in minority, living in a parliamentary constituency with a 14,000 majority for

Labour. "I voted Conservative in the last election and I think there's been an improvement since then. I shall vote Conservative again." Referring to the effect of the miners' strike, he says, "Labour can't expect to win anything with this fiasco."

His deep disagreement with the strike, demonstrated every day as he crosses the picket line, is clear. "Pits have got to close when they can't pay their way, it's just commonsense. You can only give them so many years to pay for themselves. When a pit is uneconomic, it's got to shut."

Mr Barton is vehemently opposed to Mr Arthur Scargill, president of the NUM. "Just a dictator... just trying to bring down the Tory Government... he knows at the end of the day he can't win," Mr Barton thinks that the National Coal Board's overall aim of a future expansion of a healthier industry is reasonable.

He seems to take little account of the real hardship being suffered by his striking workmates and does not fully envisage the likely difficulties which will follow when the strike is over. "When it's finished, the moderates will rule here. They have got to."

Praising the work of the police, he is confident that the tiny number of miners who have been going into work in North Derbyshire will grow. "This is a moderate pit," Mr Barton says. "It would be turning coal tomorrow if it wasn't for the 100 or so idiots at the gate - you can't call them miners because it degrades miners."

"What is going to happen," he predicts, "is that the men with any sense will turn up for work because they have had enough. They can't see any end to this."

Most of Britain's 180,000 miners have been on strike since the start of the dispute in the state coal industry. About 20,000 have continued to work.

PHILIP BASSETT, Labour Correspondent, talked to one of these men about his reasons for defying his union.

stood at the end of his road, shouting threats to beat him up. His car tyres have been slashed and menacing telephone calls made to his wife. He says that there have been threats to burn over the caravan to which he is living while he is building his own house and half-bricks thrown through the windows.

Mr Barton, who is married with four children, the youngest 18 months, is determined to protect his family. He says, "My hands are tied. I will be classed the same as them if I start on them." Then he adds, "I have told them I will take anyone of them on, man to man, until the end of the strike." None of the pickets has so far taken up the offer.

He has clearly been out of sympathy with many of his pit workmates since even before the strike. He is scathing about local union officials and argues that they are unpopular and out of touch with their members.

That hasn't stopped it. Mr Barton claims that gangs of miners have

SIEMENS

Information for Siemens shareholders

Siemens invests 27% more

Sales up in all operating sectors

New orders

In the first half of the current 1983/84 financial year (ending 30 September) Siemens recorded new orders of £6,965m, thereby nearly matching the unusually high figure for the same period last year (£6,996m). In a context of widely varying trends from country to country, international business rose 4%, with the U.S.A. yielding the largest increase of new orders. The 4% decline of German domestic orders must be viewed against the background of last year's extraordinary rise in order receipts (66%) due to major power plant contracts and the expiration of a capital investment grant by the German government.

Excluding power plant business, domestic orders in the Federal Republic of Germany and Berlin (West) increased 13%. New orders for components, particularly integrated circuits, rose vigorously. Data processing again achieved two-figure growth rates. The economic revival in key markets was also felt by the other Siemens operating sectors.

in £m	1/10/82 to 31/3/83	1/10/83 to 31/3/84	Change
New orders	6,996	6,965	0%
Domestic business	3,768	3,612	-4%
International business	3,228	3,353	+4%

Sales

Worldwide sales rose 7% to £5,371m. At 10%, the growth of German domestic business was ahead of the 5% achieved internationally. Above-average sales increases were reported by the Components, Data Systems, and Medical Engineering groups.

in £m	1/10/82 to 31/3/83	1/10/83 to 31/3/84	Change
Sales	5,010	5,371	+7%
Domestic business	2,213	2,436	+10%
International business	2,797	2,935	+5%

Orders in hand

Since new orders again considerably outpaced sales, orders in hand increased 10% over the 1982/83 year-end figure to about £16,835m. Inventory rose from £4,830m on 30 September 1983 to £5,574m. This increase is related to power plant contracts, some of which will be billed during the current financial year.

in £m	30/9/83	31/3/84	Change
Orders in hand	15,345	16,835	+10%
Inventory	4,830	5,574	+15%

Employees

The total number of employees remained unchanged at 313,000, the figure recorded at the close of the preceding financial year. There was a slight decline from 212,000 to 211,000 in the Federal Republic of Germany and Berlin (West); however, when adjusted for the seasonal departure of trainees and temporary student labour, the figure reflects an increase of 1,000. The number of Siemens employees abroad rose by 1,000 to 102,000 as a result of the inclusion of the work forces of two small companies. Employment cost increased 5%.

in thousands	30/9/83	31/3/84	Change
Employees	313	313	0%
Domestic operations	212	211	0%
International operations	101	102	+1%

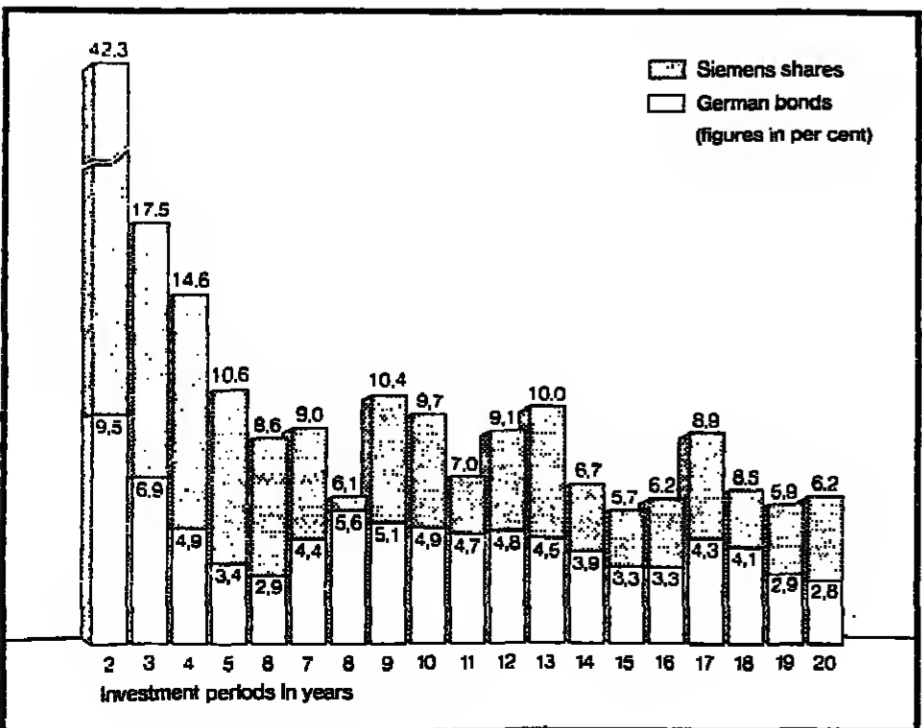
	1/10/82 to 31/3/83	1/10/83 to 31/3/84	Change
Average number of employees in thousands	318	312	-2%
Employment cost in £m	2,176	2,292	+5%

Capital spending and net income

Capital expenditure and investment was increased 27% to £243m, with all operating sectors participating. Net income after taxes rose from £93m to £110m, for a net profit margin of 2.0% (last year 1.9%).

in £m	1/10/82 to 31/3/83	1/10/83 to 31/3/84	Change
Capital expenditure and investment	182	243	+27%
Net income after taxes	93	110	+18%
in % of sales	1.9	2.0	+5%

All amounts translated at Frankfurt middle rate on 30 March 1984: £1 = DM 3.739.



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### UK NEWS

## National Institute of Economic and Social Research - quarterly assessment of the world economies

# Growth in UK economy to broaden into exports

BY PHILIP STEPHENS

GROWTH in Britain's economy will slow somewhat this year but will broaden into investment and exports, the National Institute of Economic and Social Research says in its latest review.

The switch from consumer-led growth is likely to ensure that the recovery will continue into 1985, it says in a more optimistic appraisal of the economic outlook than its last review in February.

Inflation, though unlikely to fall in line with the Government's target of 4 per cent in the second half of 1984, will pick up only slightly from present 5.5 per cent.

The institute forecasts an annual inflation rate of 6 per cent for the last quarter of both this year and next, down from the 8.8 and 7.8 per cent respectively foreseen in February.

It remains pessimistic, however, on the prospects for unemployment, seeing slight increases in 1984 and 1985 despite rising output.

A strong expansion in exports is likely to be offset by similar growth in imports, wiping out the present current account surplus next year.

The institute predicts that gross domestic product (GDP) will grow by 1.9 per cent this year, down from 2.2 per cent in 1983, before picking up again to 2.3 per cent in 1985. In February it was expecting growth of only 1.4 per cent next year.

Comparison with the Treasury's forecast of 3 per cent growth this year is complicated by the fact that the institute uses the output measure of GDP. The Government bases its estimate on an average of output, incomes and expenditure growth.

Historical data suggests that this average measure frequently rises by about ½ a percentage point faster than output over a year, so the difference between the two forecasts may be smaller than it appears.

The change in the composition of the economic upturn will reflect a slowing of the consumer boom which has so far provided the main engine for growth, coupled with a sharp increase in industrial invest-

# Job levels changed by expectations for future

BY OUR ECONOMICS STAFF

EXPECTATIONS of the future pace of economic growth play a central role in the employment decisions of British manufacturing companies, the National Institute says in a separate analysis of the steep increases in UK unemployment in recent years.

During the 1974-75 recession, companies seem to have hoarded labour in excess of their needs because they thought it would be necessary if demand picked up again. When the last recession broke, this confidence in the future was eroded and manufacturers ran down their workforces very rapidly.

The institute says this appears to have been a reflection of the impact of tight economic policies on growth expectations, as well as of a loss of cost competitiveness.

Downward revisions to industry's output expectations followed the Government's deflationary fiscal policy and the high real exchange rate for sterling.

The institute concludes that policy should be sufficiently expansionary to inspire expectations of faster growth, while remaining cautious enough not to inspire doubts about whether the improvement can be maintained.

# World recovery loses momentum

By Michael Prowse

WORLD ECONOMIC recovery is expected to lose momentum next year. Output in OECD countries is set to rise by 4 per cent in 1984, but by less than 3 per cent next year, the institute says.

The slowdown is partly reflected in a weakening of this year's industrial investment. The pattern of economic growth detected by the institute offers little hope of a substantial fall in unemployment.

The gentle fall in unemployment that came to a halt in the middle of last year is, however, more likely to resume than reversed. Any further decline will probably be concentrated in North America, the report says.

Consumer price inflation for all OECD countries taken together is expected to remain roughly stable for the next two years at just under 6 per cent.

In the U.S., however, inflation is forecast to rise from 3.2 per cent last year to 6.5 per cent in 1985. In Western Europe, though, the insti-

tute expects the gentle decline in inflation to continue.

OECD countries' combined current account deficit is expected to increase this year but fall in 1985. In common with other forecasters, the institute suggests that the U.S. deficit and the Japanese surplus will both grow rapidly this year.

The institute's forecast of an appreciating underpin its expectation of a large West German current account surplus in 1985.

Although oil-exporting countries' export earnings are unlikely to regain their 1982 dollar value until next year, the institute expects the group's recorded current account to move back into surplus despite the understatement of investment income.

The outlook for the dollar, the report suggests, depends largely on investors' confidence in the U.S. authorities' ability to keep the economy on a "sustainable non-inflationary growth path." The institute has assumed in its forecasts a gradual decline in the dollar against the yen and most continental European currencies.

In the shorter term, trade prospects are the best for six years, the report suggests. In 1984 and 1985 the institute expects world trade to grow by about 5½ per cent in volume.

However, the revival of trade during this world recovery has been much more subdued than in 1975-76. In the last three years,

	U.S.	Canada	Japan	France	West Germany	Italy	UK	Others	Total
<b>GDP (% rise in volume)</b>									
1982 (est)	3.4	3.0	3.0	0.7	1.3	-1.2	3.6	1.0	2.2
1983	6.0	4.5	4.5	0.5	2.2	2.2	1.9	2.5	4.0
1984	3.0	3.0	4.5	1.8	2.8	3.0	2.3	2.2	2.9
<b>Consumer prices (% rise)</b>									
1982	3.2	5.8	1.8	3.6	3.0	14.6	4.4	8.5	5.3
1983	5.2	8.0	2.0	7.0	3.0	11.0	5.5	8.5	5.7
1984	5.5	6.5	2.5	5.0	3.0	8.0	6.0	7.5	5.8

Source: NESR

trade in manufactures has risen only 1½ per cent. More surprising, total world trade has fallen even though the total output of OECD countries has increased by 3½ per cent.

In the last economic cycle, total world trade and trade in manufactures expanded faster than OECD industrial production.

The institute suggests several explanations for the poor performance of world trade this time. First, manufacturing production is rising more slowly than OECD output instead of faster as in the 1960s and 1970s. This is a result of the "normal tendency towards de-industrialisation"; once a certain stage of development is reached, the share of services in total output tends to rise.

Secondly, the growth of energy-saving initiatives and depletion of oil stocks has led to falling trade in oil. Thirdly, increasing protectionism has meant that OECD coun-

tries' imports have fallen relative to their output - although the institute is unable to quantify this effect.

Finally, non-oil developing countries, in particular, have been forced to cut back their imports as a result of mounting debt-service burdens and deteriorating terms of trade.

The institute has also, as usual, reviewed the prospects for individual economies. It believes the strength of the U.S. recovery has been generally underestimated. It has raised its forecast for U.S. growth this year to 6 per cent. In 1985, however, the growth rate is expected to halve to only 3 per cent.

Reasons for short-term optimism about the U.S. economy include the latest investment intentions survey - it suggests a 17 per cent (at current prices) rise in business capital spending this year. And, despite rapid stockbuilding in the first quarter, stock-output ratios in manufacturing remain low.

The report argues that Western Europe as a whole can expect growth of 2 per cent this year, rising slightly in 1985 in marked contrast to declining growth in the U.S.

The outlook this year is particularly poor in France however; growth of only ½ per cent is forecast. The most promising part of the French domestic economy appears to be investment. Prospects here are brighter because the French government has recently unveiled new incentives.

Domestic demand is strengthening rapidly in Japan, the institute suggests. It expects the Japanese economy to grow nearly twice as fast as Europe's in 1984 and 1985.

National Institute Economic Review No 108, from National Institute of Economic and Social Research, 2 Dean Trench St. Smith Square, London SW1. Annual subscription £30 (home), £40 abroad.

He threw a glance through the window.

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**\*The Review of Benefits for Children and Young People** will look at the social security help for families with children and for young people above school-leaving age.

**\*The Housing Benefit Review** will look at the scope and structure of this scheme and how its administration can be simplified and improved.

If you have any views on how these benefits should develop in the years ahead the Reviews would like to hear from you by 31 July 1984. But first use this coupon to get more details.

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The Housing Benefit Review

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Post to: Social Security Reviews  
Room 440  
New Court  
Canary Street  
London EC2A 2LS FT1

# THE MANAGEMENT PAGE: Marketing

**A WELL-WORN** joke in the advertising industry tells that the biggest technological innovation in recent years in the poster business has been the switch from wooden to aluminium ladders. This reference to the oldest advertising medium's lack of corporate marketing muscle—a fault of which it is all too aware—underlines its present dilemma. For posters have had a rough time, losing market share to their more marketing-minded rivals—television, press and radio. Increases in site rentals, too, have squeezed profit margins. As if that were not enough, environmental pressures constantly threaten the giant billboards with their outside messages and David Ogilvy, O and M's founder, preface his latest book that they will be abolished.

Posters may be a small fraction of the overall advertising equation, representing 3.8 per cent of the annual £3.5bn ad revenue (according to latest Advertising Association figures) but £137m is still big business. What's more, it is a high visibility medium which has brought us some shining examples of creative advertising at its best. Remember the breathtaking Araldite car-poster ad, witty Winston, sexy-if-controversial Pretty Polly girls, and the surreal Benson and Hedges art forms.

The demise—by government decree—the early 1960s of British Posters, the selling cartel, did nothing to further the medium. "It set the clock back," said one media director. "BP had brought the industry into the late 50th century."

Historically the poster business is made up of disparate elements, each contractor or site owner, be he garage owner with a cable end site, brewer with a pub site or local authority with demolition sites, operating independently. These were pooled into "packages," thus making them more accessible to advertisers, by BP, acting as a central buying office. Since its dissolution by the Office of Fair Trading, the post-50 business has been in the doldrums.

But signs are emerging of renewed vigour with the ranks which may realign the medium's appeal for advertisers and agencies—many of whom were originally disenchanted by poor commission rates.

One is the arrival on the scene of energetic newcomer, London and Continental Advertising Holdings (through its poster arm Summit), which this month stole a march on more established rivals when, in a cheeky coup, it announced plans to take over ailing giant London and Provincial, a company more than four times its size and one

## Poster Advertising

# Out of the doldrums

Feona McEwan reports on a shake-up in the industry



Barde Bogle Hegarty's campaign for Robertson's Golden Shred won a gold award from the Designers and Art Directors' Association for the most outstanding poster campaign. "Poster advertising," says John Hegarty, "forces distillation of the thought process to its simplest expression. At best it's an art form."

of the oldest in the business.

From nowhere to one of the largest poster contractors in the UK for a concern that only espoused the business four years ago, it is no mean feat.

L and C now owns 20 per cent of the nation's 170,000 odd sites, with the OFT's blessing. It now stands shoulder to shoulder with Mills and Allen, an international group with financial and insurance broking, as well as advertising, interests.

"It's good news," says John Watts, chief executive of Mills and Allen and sometime critic of the medium's shortcomings.

"They have been blithely aggressive and innovative as a small contractor and anything that brings about a more sophisticated selling approach—and they see themselves as salesmen—is to be welcomed. They certainly have a good track record."

That record shows a tripling of turnover in four years by L and C with a profit last year of more than £500,000. Conversely in that period, L and P increased turnover by £1m to nearly £19m but dropped in profits from £3.35m to under £1m. L and C now has its work cut out.

Meantime the poster, and

indeed the advertising industry, awaits the long overdue poster site classification and audience evaluation project, currently being completed.

Results are expected towards the end of the year. The new system aims to grade the various sites around the country (by position, aspect, whether

solus or in a group), and also to come up with audience measurements, by estimating the numbers of passers-by for each site, both on foot and in vehicles.

Poster contractors are setting considerable store by this database which will enable advertisers and agencies to plan and evaluate campaigns, in line with other media. "Up until now, posters have been a subjective sell," says Watts, "when everyone else is talking figures."

London Transport Advertising (LTA) is a notable exception, able to quote chapter and verse on its viewership, due to the strict monitoring of underground through traffic. It will tell you that some 13.5m travellers use the tube a year, each one waiting on average three to five minutes for a train and standing just 12 ft away from posters.

LTA accounts for 10 per cent

of the national poster market, with its bus and tube sites and about 40 per cent of the total London market. Tube posters

it persuades, can be more finely targeted; it recommends a heavy retail bias such as hi-fi for Tottenham Court Road and financial services for City stations.

It quotes a bus poster only campaign for Birds Trife in 1981: on 1,000 buses for two months it showed a threefold increase in product awareness. A total of 600 bus sides will give 89 per cent of all London adults 45 OTS (opportunities to see) in one week.

The shift for poster contractors from being sought-after (as in the late 1970s) to being the "seekers" has meant that the medium is less able to rely on the affection of agency creative departments for its revenue, and more on its own selling skills.

Gone are the halcyon days of the mid- and late-1970s when superstar agency Collett Dickinson Pearce was largely responsible for elevating posters to high fashion. Much of its most startling work, including Heineken, Pretty Polly, Clarks Shoes and Parker pens, made impact from above.

"It has never been an innovative medium," says Mike Gold of Gold Greegor's Trout, whose agency is well known for its poster work (London Weekend Television and SDP-Liberal Alliance to name two campaigns). "That has always come from the users."

One man who's seen it all before is Mike Yershon of Yershon Media, the independent agency who, as media director of CDP in the mid 1970s, succeeded in gingering up the poster business by setting up specialist contractors and agitating for improved site servicing. "We shook the industry considerably," he remembers, "and it looks as if it's about to be shaken up again. We revolutionised the outdoor medium, which was in the doldrums. It hadn't grown since television had arrived. And it was very cheap, about £30 for a 48 sheet for one month" (now about £250).

Traditionally posters have been a "beer and baccy" medium. Established advertisers like Gallaher, Imperial Tobacco, Guinness, Cad and Carreras-Rothman once locked up favourite sites months in advance.

But with the decline in cigarette advertising, the market has dried up dramatically, bringing with it a wave of new clients: from cars to computers, food to fashion.

In its wake, poster-buying has become more flexible and spontaneous. Advertisers can buy a site for short-term tactical campaigns for anything from one day to many months. And this is short notice.

Mike Gold believes his agency's LWT campaign, begun three years ago and winner of a clutch of poster awards, brought about further changes. "We wanted to change the poster every week on the same day which was unheard of at the time. We had developed quicker production techniques so the posters were not up long enough to become wallpaper. More like Chinese wall posters, with people looking out for the new ones." Dare one suggest the FT posters might boast a similar public following?

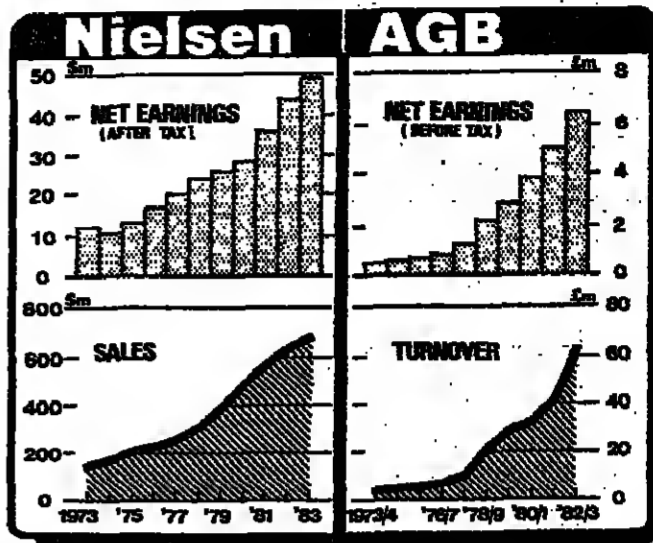
Creative posters present an exciting challenge. "They are great for getting something suddenly into the public awareness," says CDP chairman John Salmon. "A very good support medium."

"It's a very disciplined medium," says Dave Trott of GGT, "demanding a limited number of words. There's no arguing about body copy. You need to be simple, powerful and controversial. The client likes it because it's up 24 hours a day, semi-permanent, compared with newspapers which are finished in minutes and television in seconds."

## Market Research

# A truce comes to an end

Antony Thorncroft on the implications of the Nielsen takeover



AGB and Nielsen have long dominated the British market research industry but, in the main, they have ploughed their own specialist furrows since AGB began its profitable existence by winning the ITV audience measurement contract from Nielsen (and Atwoods) in 1967. But now that competitive truce could be changing following our recent developments.

AGB is attacking Nielsen's traditional base, its dominance of TV audience measurement on the major American national networks, with a trial scheme in Boston using its new People Meter device, and last week Nielsen was acquired by Dun & Bradstreet, the fast-growing U.S. information processing company.

Although consistently very profitable—profits last year were almost \$50m on world wide sales of \$680m—Nielsen has been

castling in recent years. Its immediate threat to the new

founder, was approaching retirement: he went a month ago and this almost certainly precipitated the deal with Dun & Bradstreet.

A more aggressive exploitation of Nielsen's assets can now be expected, although Dun & Bradstreet has made it clear it will continue to operate Nielsen as a distinct company.

In the UK no immediate changes are envisaged. Nielsen periodically attempts to wrest back the TV audience measurement contract from AGB but

basically derives most of its £14.5m turnover from its retail audit operation. Companies in the grocery, drink, toiletries and confectionery industries have

traditionally built their market-group objectives around Nielsen data, and competitors have

hardly disturbed Nielsen's dominance.

In recent years it has attempted to diversify, most successfully through its coupon redemption operation in Corby, which is the largest in the field of promotional special offers by grocery manufacturers

and others. In the last year Nielsen has introduced into the UK two subsidiaries which are

very important to its U.S. sales: data and information, which

provides data on the international oil industry, and a similar operation covering the

silicon chip business. But retail audits is the basis of its

turnover and not amenable to

much growth—in the last year Nielsen only raised its UK sales by 2.5 per cent; the new profit growth will have been greater.

To Dun & Bradstreet Nielsen UK will be a minor asset but, in time, it will no doubt examine its future potential. A more

immediate threat to the new owners will be AGB's activities in the U.S. After winning the

audience measurement contract AGB went on to become one of the most successful new companies in the UK, expanding into publishing, but with

research worldwide still accounting for £40m of its £60m annual sales. It is the biggest research company in the UK with a turnover of £20m.

Its attack on the U.S. market is a gamble. It is costing it \$2.5m, but some of the expense is being shouldered by

two of the national television networks and 12 of the leading advertising agencies, which, at the very least, see their support for AGB as useful ammunition in either persuading Nielsen to improve its service or

to reduce its price. Nielsen gets \$30m a year for reporting on the size of the American TV audience but to British eyes its

operation is strangely unscientific—it uses only 1,700 meters to monitor viewing in American homes (although it is now

quickly increasing the number): AGB covers the much smaller UK audience with 3,250 meters, and plans to install at

least 5,000 in the U.S.

Leading television contracts to AGB would not be a fatal blow to Nielsen's profitability—it is too well diversified—for that—but it would knock its prestige.

In the U.S. audience ratings are synonymous with Nielsen and the placing of \$150m worth of advertising revenue is built upon the data each year.

While Dun and Bradstreet has given an informal guarantee that Nielsen will basically be left alone for at least five years—and its record during its acquisition drive suggests that it does not wreak major changes—the backing of an enterprising

new owner should stimulate Nielsen's attempts to diversify in the UK.

Apart from the coupon house, the new subsidiaries have either been imported from the U.S. or been obvious extensions of the retail audit information. Now

that Nielsen is in the same group as Datastream, the computerised statistical services company which is another

recent Dun and Bradstreet buy, it is much better placed to develop data bases, and to

exploit the increasing computerisation of research findings. When the UK television

research contract (BARB) comes up for renewal in 1985 Nielsen will be in a stronger position to mount a challenge to

AGB for the £2m a year contract. By then it might also have struck out in new directions, away from the narrow

market research field.

# Eden Vale has sold 10 million pots of yogurt in one week.

Eden Vale are proud to announce a new record in yogurt sales — over 10 million pots in a single week. No other company has come close to this spectacular market-leading performance. And when you look at our brands it's no wonder! Ski: Britain's top selling yogurt. Munch Bunch: the highly successful children's brand. Snack Pack: an award-winning product innovation. Eden Vale French Style: helping to set the style for set style. Tropical Yogurt: the exotic one. And what better time for Eden Vale to celebrate this outstanding achievement than in the company's 21st birthday year! Eden Vale, 430 Victoria Road, South Ruislip, Middlesex HA4 0HF

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### Company Notices

**COMPANY ANNOUNCEMENT**  
**ANGLO AMERICAN INDUSTRIAL CORPORATION LIMITED ("AMIG")**  
(Incorporated in the Republic of South Africa)  
**RIGHTS OFFER TO ORDINARY SHAREHOLDERS AND OFFER TO OPTION HOLDERS**  
The Committee of The Johannesburg Stock Exchange has granted a listing of the renounceable (nil-paid) letters of allocation ("letters of allocation") to be issued pursuant to the offer from Monday May 29 1984 to Wednesday June 20 1984 and the additional ordinary shares to be issued pursuant to the offers from Thursday June 21 1984.  
The Council of The Stock Exchange in London has granted a listing of the ordinary shares to be issued pursuant to the offers with effect from Tuesday May 29 1984. Dealings in the shares in respect of the period May 29 to June 4 1984 will be for deferred settlement on June 6 1984.  
**SALIENT DATES**  
1984  
Record date for offers: Friday May 25  
Ordinary shares listed ex rights and listing of letters of allocation commences in Johannesburg: Monday May 28  
Ordinary shares listed ex rights and listings commence in London: Tuesday May 29  
Last day for dealing in letters of allocation: Wednesday June 20  
Last day for splitting letters of allocation in the United Kingdom: Wednesday June 21  
Last day for splitting letters of allocation in Johannesburg: Thursday June 21  
Listing of additional ordinary shares in Johannesburg commences: Thursday June 21  
Offers close—payment to be made by 14h30 on: Friday June 22  
Postal acceptances despatched on or before June 22 1984 will be accepted until 14h30 on: Wednesday June 27  
Ordinary share certificates posted by: Friday July 6  
The letters of allocation and the circular giving full details of the offers will be posted to Amic ordinary shareholders and option holders entitled thereto on Monday June 4 1984. Copies of the aforementioned circular may be inspected at the following address:  
40 Holborn Viaduct London EC1P 1AJ  
from the commencement of business on Friday May 25 1984.  
Johannesburg May 24 1984

**FUTURES**  
The date proposed for the survey on the above has been moved to  
**Friday July 6th**  
Coverage of the markets will include LIFFE; Agricultural Futures and the International Financial Exchange  
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Hugh Sutton, Financial Times, Braeken House, 10 Cannon Street London EC4P 4FF  
Tel: 01-573 3000 Ext 3300

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**BANQUE LIBANO-FRANCAISE (France)**  
The General Shareholders Meeting of BANQUE LIBANO-FRANCAISE (FRANCE) was held on April 25th, 1984, under the chairmanship of Mr Gilles Doubrere.  
It approved the accounts for financial year 1983 which, after depreciation, provisions and taxes, showed a net profit of FF 10.3 million against FF 15.2 million for financial year 1982.  
As at 31.12.83, the balance sheet total was FF 5,298 million and contingent liabilities were FF 1,570 millions against respectively FF 4,485 million and FF 1,593 million as at 31.12.82.  
It was decided to appropriate FF 6.5 million to the Bank's legal and general reserves and distribute the sum of FF 4 million to shareholders, representing a net dividend of FF 10 per share and giving a tax credit of FF 5.  
After appropriation of results and distribution, the capital of BANQUE LIBANO-FRANCAISE (FRANCE), including subordinated loans, amounted to FF 170.6 million.  
The Meeting was informed of the nomination of Mr Bernard Vernhes as permanent representative of BANQUE INDOCHINE, Director.

## JOBS COLUMN

## Why university dons still feel done down

BY MICHAEL DIXON

UMBRAGE has been taken in certain quarters at the Jobs Column's discussion last week of the conditions of employment of Britain's university dons.

The cause of the umbrage is evidently not the discussion's main topic, which habitual readers may recall was the Government's proposal to limit universities' power to grant academic staff job-security until retirement. The proposal is to set a date in the future, after which any newly appointed don will have to be liable to dismissal on two specific grounds. These are if the job concerned becomes redundant, or if the employing university runs into financial difficulty.

What has irritated some readers, especially in academia, was an illustration I used in arguing that even after the proposed change the dons would be relatively well off compared with managerial and specialist staff in industry.

The illustration was the Royal Society of Chemistry's survey of fully qualified members on January 1 which suggested that those employed as university academics tend to be paid more than their less secure industrial counterparts. The particular point of comparison was the median figure representing the pay of the person who would be placed mid-way in a ranking by pay of all the professional chemists in the same category.

Taking all ages together, the median shown by the survey for the society's fellows and members employed in universities was £16,930. That was 15 per cent higher than the median of £14,710 among the fellows and members in industry and commerce.

The main point of the protests is that by "taking all ages together" in my comparison I was being unfair to the dons. For the university-employed chemists covered by the survey tended to be noticeably older than those in industry and so, it is claimed, inevitably higher up the pay ladder.

It is certainly true that the dons concerned were more concentrated in the over-40 age groups. As far as I can calculate their average age was something upwards of 47, whereas the average among the industrial counterparts was roughly 43. Added evidence of the effect of age difference is provided by the Engineering Council's survey of the pay of chartered engineers employed in different fields during the 1982-83 tax year. That showed a £14,000 median for those in universities whose average age was 45, and a £12,100 median for those in private industry whose average age was only 41.

But I doubt that general differences in age can be the whole explanation for the dons' median advantages. Since both the chemists' and the engineers'

surveys covered all pay received in money from all sources, part of the dons' lead may arise from their having on the whole greater opportunities for free-lance earnings.

As well as having a considerably longer official working year, industrial managers and specialists are under heavier pressure to be attending to their main employment every day of a full working week. While some academics undoubtedly put as much time into their regular job as any of their counterparts does anywhere, others undoubtedly take advantage of their less onerous official duties.

Besides there is another point worth the consideration of younger dons who feel they are unduly paid less than comparably qualified people of the same age in industry. They may rightly complain that, as the result of the Government's decision to curtail university expansion, younger academics are trapped in the lower university pay scales with promotion blocked by their elders appointed in the expensive years a decade or so earlier.

But is not that promotion blockage itself an effect of the convention of granting academic staff life-long security in their job, so making them proof against the competition of younger contenders even of far greater competence at the work concerned? I cannot help feeling that ambitious dons aged

below 40 would do better to stop taking umbrage at pay statistics and press the Government to limit academic job-security a good deal more than is at present proposed.

## Marketing pair

NOW FOR two posts being offered through two different branches of Standing Executive Search. Since neither of the recruitment consultants concerned may name his client, both promise not to identify any applicant who so requests to the employer without specific permission. The same applies to the other jobs being offered by third-party consultancies to be mentioned later.

Brian Standing seeks a group sales and marketing director for a medium-sized business headquartered in the south Midlands and specialising in chemicals for use mainly in industry and agriculture, but also in hospitals and other parts of the public sector.

The newcomer will be responsible for setting up a marketing operation virtually from scratch and for re-organising the existing sales operation.

Candidates should be numerous, and have successfully controlled and developed a sales organisation and associated technical supporting team. The most valued experience will include sales and marketing both

in fast-moving consumer goods and in industrial products. Salary indicator £26,000, plus bonus on results. Other benefits include a car.

Inquiries to Mr Standing at S3 Wycombe Road, Marlow, Bucks, SL7 3HZ; telephone 06284 5931, telex 847189 Marlow G.

His consultancy's other offer, being made through his colleague Christopher Butters, is for a sales manager responsible for the computer-linked colour graphics systems of a £3m-plus turnover company based west of London.

Candidates here should preferably have worked not only in sales but also as a systems engineer in a comparable business, and have up to date knowledge of technical developments in the field. Understanding of defence applications would help. Salary around £22,000, again with car among perks.

Inquiries to Noel Farnham, Highfield Close, Aldershot, Hants, Tel 0252 23123.

## Finance head

ANOTHER Midlands-based post is being offered by Keith Phillips of John Anderson and Associates. It is a group financial controller's job with a multi-national company, and carries responsibility for the consolidation and co-ordination of the accounting and computer

policies throughout the group's operations, including several subsidiaries overseas.

Candidates should be either head of accounting in the subsidiary of a group covering a span of different countries, or second in command of the group as a whole. Only people who have had full responsibility for consolidated accounts will be considered.

Salary indicator is £25,000. Inquiries to Mr Phillips at Norfolk House, Smallbrook Queensway, Birmingham B5 4LJ; tel 021-632 5758, telex JAA 338023.

## Insurance

AN IMPRESSIVELY qualified accountant, with experience of financial management with a Lloyds insurance-broking concern, is sought by Tony Normale of Inter-Selection Insurance (Southern).

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Aged 25-30, with an impeccable scholastic and academic background, you will have experience of fund management and financial analysis. Immaculate presentation is essential, as are first class inter-personal skills. You will be a self-assured individual, polished and able to deal at the highest professional levels, and quickly make a significant contribution to new business development.

Please telephone or write in confidence to Beverly Kemp quoting reference number BX 8056.



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**CREDIT OFFICER**

INTERNATIONAL BANKING

Leading Middle East Bank with an expanding branch in the City of London has an opportunity for an experienced lending banker in its Credit Department. The successful candidate, who will report to the Head of the Credit Department, will assist in evaluating new loan applications, make recommendations to the Credit Committee, negotiate documentation and assist in managing the European loan portfolio. There are excellent prospects for increased responsibility for the right candidate.

Candidates should be university graduates, or have other qualifications of a similar standing, with at least two years' experience in credit analysis, appraisal and loan documentation, preferably gained in an international banking environment.

Salary is negotiable and benefits are those normally associated with a large international organisation.

Applications should be sent to Box A663, Financial Times  
10 Cannon Street, London EC4A 3BY

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Islington is a Partnership Authority using its energy and resources to tackle the problems of inner city deprivation and decay. The Council therefore wishes to maximise all available financial resources and deploy them as effectively as possible to meet the acute needs of the Borough. Besides the necessary ability and experience in Local Government finance, applicants should have a particular flair for management, financial planning and resource allocation.

Further particulars and application form from the Director of Personnel & Management Services, 257/258 Upper Street, London N1 1RW (Tel: 01-226 1234, Ext. 300 or 294). Closing date 16th June 1984.



Applications are welcome from candidates regardless of race, sex and disability and we have a positive attitude towards the employment of disabled people.

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Please send your résumé, including a daytime telephone number, to Clive Williams quoting Ref. 20/82.

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*Union Bank of Norway Ltd. is one of the leading commercial banks in Norway. The bank is owned by and acts as a central bank for the savings banks in addition to its commercial and investment banking activities. The international business represents an increasing and important part of the business activities. The bank is represented or has participations outside Norway in Luxembourg, Zürich and New York and in the Nordic countries.*

## Senior Representative Norwegian Banks London

Union Bank of Norway and a group of major Norwegian savings banks established in 1983 a Representative Office in London.

The position as Senior Representative is vacant as the present representative shall take over a new position at the head office in UBN. Candidates for this position should have several years international banking experience. Personal initiative and capabilities to initiate international banking and credit transactions, is essential. This is a key position in the development of the groups international business.

For further information please contact Mr. Per Kr. Pedersen, Senior Representative, telephone 248-0462 or Mr. Rolf Amundsen, General Manager, telephone 47-2-41 95 80.

Candidates should address their application to Union Bank of Norway Ltd., Personell Department, P.O. Box 1172 Sentrum, 0107 Oslo 1, within 8th June 1984.



Union Bank of Norway Ltd.

Domestic name: Fellesbanken a.s.

## Operational Research Manager

**c. £15,000 p.a. + company car**

Bass, Europe's largest brewing group, has diverse business interests that include wines and spirits, soft drinks, hotels, holiday centres, sports and leisure operations.

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Owing to internal promotion we are now seeking a Manager of exceptional quality to lead the O.R. function reporting to the Systems and Services Director.

Applicants should have a good numerate degree and a minimum of six years' O.R. experience gained in a competitive business environment. An outstanding track record, leadership skills, initiative, flair and the ability to liaise effectively with all levels of management are essential requirements for this demanding role.

An excellent benefits package will include free BUPA membership, good pension and life assurance scheme and a product allowance.

Please apply in writing with c.v. to:

H.O. Staff Personnel Manager,  
Bass Public Limited Company,  
137 High Street, Burton upon Trent DE14 1JZ.

**Bass**  
Public Limited Company



## INVESTMENT MANAGEMENT

**£12-30,000**

Because of a high level of demand from our clients in the Merchant Banking, Stockbroking and Specialist Fund Management sectors, we are seeking high-calibre candidates for a variety of equity-based and mixed portfolio positions.

Prospective candidates, preferably graduates aged between 24 and 32, should have a proven record with at least 18 months' experience in a Fund Management or Private Clients capacity in an established organisation and should be ambitious to build on that success in a new and rewarding environment. To arrange an informal meeting at which these opportunities can be discussed in more detail please contact Robert Digby B.A. or Christopher Lawless B.A.

**Badenoch & Clark**

Recruitment Consultants  
16-18 New Bridge Street, London EC4V 6AU  
Tel: 01-353 1867

## INVOICE DISCOUNTING Client Account Manager

We are part of an international organisation which provides factoring and invoice discounting services for a wide variety of companies. Our highly successful invoice discounting service in the United Kingdom is growing rapidly and needs Client Account Managers.

Responsibilities are primarily the maintenance of successful relationships with clients and monitoring and positively influencing the profitability, security and efficiency of our service.

Candidates aged 25+, must demonstrate several years successful experience in this industry or in a related activity such as corporate finance/banking. A professional qualification would be an advantage and a high standard of numeracy and fluency is essential to the demanding role.

We offer a very competitive salary, a company car and a generous range of benefits commensurate with our position as a member of a major banking group, to anyone who can meet our requirements.

Applications, giving details of career to date will be treated in strict confidence and should be addressed to:

W.H. Group Director and Secretary

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## BANKAMERICA TRUST COMPANY (JERSEY) LIMITED SENIOR TRUST OFFICER

Our Client seeks an experienced professional to join the management team of its rapidly expanding trust company in Jersey.

Responsibilities will encompass the administration of a diversified range of substantial worldwide assets on behalf of corporate and individual clients, as well as the provision of various consultative financial services.

In addition to a number of years of relevant experience, candidates should hold a recognised accountancy or legal qualification, or the Institute of Bankers Trustee Diploma. The successful applicant will be able to demonstrate a strong administrative ability together with the personal qualities needed to develop business and to deal effectively with clients at a senior level—some travel will be involved.

Prospects for career development are outstanding and the salary and benefits package will match the importance our Client attaches to this key management appointment.

Contact Norman Philpot in confidence  
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## NPA Recruitment Services Ltd

60 Cheapside London EC2 Telephone 01-248 3812 3 4 5

Management Selection Executive Search

## Senior Bank Marketing Appointments

The London Branch of the Amsterdam-Rotterdam Bank N.V. is seeking to fill the following positions to complement its active marketing team:

**Manager - Financial Institutions c. £25,000**

The successful applicant will report directly to the Senior Manager of the Corporate Commercial Banking Sector and will be responsible for leading a small team to maintain existing and develop new business with banks and financial institutions throughout the United Kingdom.

The ideal candidate is likely to be aged around 35 years, be professionally qualified and have several years experience in marketing a full range of banking services to a similar target group.

**Account Manager, U.K. Corporate c. £20,000**

The successful candidate will report to the Manager U.K. Corporate Group within the Corporate Commercial Banking Sector and responsibilities will include achieving target business volumes and maintaining and improving service to existing customers.

Ideally applicants should be in their early 30's, be graduates or professionally qualified and have at least three years experience in marketing to U.K. corporate clients.

**Trade Finance Officer c. £20,000**

Reporting to the Trade Finance Manager, the successful candidate will be expected to contribute to the development of this activity and play a leading role in developing it amongst existing clients as well as obtaining new business.

The ideal candidate is likely to be aged around 30 years, be a graduate or professionally qualified and have several years experience in trade finance, encompassing forfaiting and short and medium term export finance under ECGD coverage. Previous experience in a start-up situation would be an added advantage.

In addition to the excellent basic salaries there is a competitive benefits package as one would expect from a leading international bank.

Please write with full details to: John Parker, Head of Personnel, Amsterdam-Rotterdam Bank N.V., 101 Moorgate, London EC2M 6SB.

**amro bank**  
amsterdam-rotterdam bank nv

## Young Investment Consultant

Managed funds from £15,000+ benefits

This major financial services company, based in the City, requires an additional consultant to join its small professional team providing investment consultancy services to a large portfolio of clients.

The position offers real opportunity for personal growth within a highly successful and well respected organisation where individual contribution is encouraged.

Candidates, ideally mid-late 20's and educated to graduate level, should have at least 3 years' experience in the investment field including Managed Funds. The personality and drive to provide the highest level of professional service will be sought.

Salary negotiable from £15,000 plus benefits including non-contributory pension, mortgage subsidy, health insurance and profit share potential.

Please write with full details. These will be forwarded direct to our client. List separately any companies to whom your details should not be sent. Alan Forrest ref. B.1656.

*This appointment is open to men and women.*

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## Marketing Executive Up to £10,000 City

We seek a self-starter with the potential for development into a management position to undertake this challenge within a professional marketing team.

Reporting to the Group Marketing Manager you will be expected to make an immediate contribution in the following areas:

- \* Marketing Plans
- \* Customer Servicing
- \* Competitor Analysis with emphasis on UK and international life products.

The ideal candidate will have a good relevant degree with a minimum of 2-3 years marketing experience within the financial services industry and be able to demonstrate drive, initiative, flair and an analytical mind together with a sound

knowledge of marketing techniques and practices.

Our Group is one of the market leaders within the financial services sector offering a professional service to over 600,000 investors with £1.8bn under management within a highly competitive market.

In addition to a competitive salary we offer a non-contributory pension scheme with free life assurance and BUPA membership and excellent career progression prospects.

If you feel you meet our demanding specification then send full C.V. to: John Green, Senior Personnel Officer, Save & Prosper Group Ltd, 4 Great St Helens, London EC3.

**SAVE & PROSPER**

## Project Manager Project Advisory Group

Hill Samuel & Co. Limited, a leading Merchant Bank, is looking for a Project Manager to join its Project Advisory Group. This department is responsible for providing financially oriented consultancy to public sector and corporate clients, primarily in the developing countries.

The ideal candidate, who should be aged at least 28 years old, must have had some experience in banking with a background oriented towards accountancy, law or economics. The applicant will also have had practical marketing experience and have led negotiations at a senior level in developing countries. Some exposure to commodity trading and trade finance would be very useful.

The remuneration package will fully reflect the importance of this job and will include non-contributory pension, life assurance, mortgage assistance, profit sharing, BUPA and a number of other fringe benefits. Applicants should send a full CV, which will be treated in strictest confidence to:

R. C. G. Gardner, Director,  
Hill Samuel & Co. Limited,  
100 Wood Street, London EC2P 2AJ.

**HILL SAMUEL & CO LIMITED**

مركز استشارات

# International Audit Assignments in Banking and EDP

£10,000-£15,000+substantial benefits

Bank of America, one of the world's leading financial institutions, is seeking experienced staff to join its International Audit Team.

## EDP SYSTEMS AUDITOR

Responsibilities will encompass the review of EDP systems in use or being developed by the Bank, and the development of systems to analyse computer based operational data. Our integrated processing, based on large IBM mainframes running IMS, is currently being implemented in Europe and the Middle East, with worldwide expansion to follow.

## OPERATIONAL AUDITOR

We are seeking a recently qualified Chartered Accountant to assist in conducting audits of our branches and subsidiaries in the UK and Africa. This position offers an exposure to all areas of the Bank's activities and requires the ability to effectively communicate with senior management. Experience of computer auditing techniques would be an advantage.

Prospects for career development within Bank of America are excellent. In addition to competitive salaries, the Bank provides a generous range of benefits including low-interest mortgage, non-contributory pension plan, annual bonus and free medical insurance.

Both positions are based in Bromley, Kent and will require overseas travel. Write, with full career and salary details to: Nicola Strong, Recruitment Officer, Bank of America NT & SA, 26 Elmfield Road, Bromley, Kent.



**BANK OF AMERICA**

# New Business Development

Financial Sector

£25,000 Scotland

This key role will stimulate a marketing professional who is interested in influencing the direction this major financial organisation takes at a formative stage of its development. The position requires a range of skills which will have been acquired in an environment such as f.m.c.g. or financial services where professional marketing and sales management are key factors in business growth. In particular a strong product or brand management track record combined with sales management experience will be looked for together with obvious strengths in people management and an ability to think strategically. Preferred age range is 30-40. The person appointed will be responsible for initiating and implementing market

product development through established teams and will be expected to contribute significantly to further growth across a range of market segments.

Career growth is demonstrably available in an organisation with total commitment to being the market leader. Salary and particularly good benefits including subsidised mortgage and non-contributory pension will be pitched to attract the calibre of person sought.

Write or telephone for an application form or send detailed CV to J. B. Stewart as advisor to the company, at the address below, quoting ref. SMAS 3701 FT on both letter and envelope. No details are divulged to clients without prior permission.



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or Telex 885033

# Head of Credit Department

This highly successful branch of an old and well established International Bank offers a broad spectrum of products and services. The London Branch has been in the City for 20 years, has a wide range of clients and has recently concentrated on developing business with medium-size companies.

Credit analysis is currently carried out by both marketing officers and a team of full time analysts. Branch Management has decided to increase the capability of the analytical credit functions by creating this new position which would also include the analysis of leasing proposals and loan quality control.

The successful applicant will be responsible for the smooth running of the department and will have personal responsibility for the more complex proposals.

Major requirements are a minimum of seven years in credit analysis as part of a broad banking background, and good management and technical skills to suit an informal and highly professional environment.

Salary £16,000-£20,000 plus normal bank benefits. To apply, write to Carmina Leon of Cripps, Sears and Assoc. Ltd., (Personnel Management Consultants), 88/89 High Holborn, London WC1V 6JH. Telephone 01-404 5701.

**Cripps, Sears**

## INSTITUTIONAL ADVISOR—AUSTRALIAN SECURITIES

A substantial Australian stockbroking house is in the process of being formed. The new firm will have a capital base of A\$10 million and will be called:—

# RIVKIN LIMITED

The London office is looking to recruit an established, successful institutional adviser or an experienced manager of Australian investments who is interested in a move to stockbroking.

This is an opportunity to join us at the start of an exciting, challenging venture. We will offer the financial package necessary to attract the highest calibre applicant.

Please write to: Mark Hodgkin  
Rectory House  
Laurence Pountney Hill  
London  
EC4R 0DA

All correspondence will be absolutely confidential.

# INTERNATIONAL BANKING OPERATIONS MANAGEMENT

circa £26,000 + benefits

Our client, a firmly established foreign Bank with a large London operation and active in International Banking, is now seeking an Operations Manager to be based in London. The global communications network is being rapidly developed and will further enhance both our client's services to customers and position in the market place.

In this environment of growing technical sophistication the Operations and Administration function plays an increasingly important role—and it is into this area that our client now seeks to recruit.

The primary emphasis of the role is one of management. You will be responsible for ensuring operating procedures and support facilities are provided to both customers and Bank units in London and our other overseas locations. Clearly a thorough knowledge of International Banking wholesale operations is a prerequisite. Responsibilities will include the supervision of approximately 150 personnel principally in the three major functions of branch operations, treasury and communications. To take advantage of career opportunities future mobility will be an important factor.

Candidates, male or female, must have a minimum of five years' experience gained in a similar role and will possess strong personal qualities, business flair, integrity and be able to relate effectively at all levels. As a senior member of the management team you will be expected to participate in overall strategic planning.

The importance of this position will be reflected by a salary of circa £26,000 per annum plus a competitive range of benefits.

All applications should include a full career history accompanied by home and office telephone numbers where possible and should be sent, in the first instance, to Colin Payne at the address below. Please list separately any companies to whom you do not wish your application forwarded.

**JPW**

**Recruitment Advertising**

Ludgate House, 107-111 Fleet Street, London EC4 2AB.

## CAREERS IN FINANCIAL FUTURES

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Stock Exchange member company seeks a talented young person with a mathematical/statistical degree to analyse groups of equities against the FT-SE contracts on LIFFE and the Traded Options market, and to ascertain cash gifts/futures dealing opportunities. In addition you will be assisting with the running of the house dealing Book.

**Gilts Specialist towards £15,000 basic plus bonus**  
Futures broking firm requires a desk Broker to handle client business on LIFFE, Philadelphia and Chicago. You should have already gained useful experience in the Gilts market.

**Dealer c.£20,000 basic plus bank benefits**  
An additional Dealer in financial futures and associated money market instruments is sought by a first-rate international bank.

Please contact Robert Kimbell, in complete confidence, on the number below:  
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# Marketing Executive

**Lively economist or business graduate  
with investment experience.**

Salary c.£12,000 plus substantial benefits.

Prudential Portfolio Managers Limited — PPM — is the investment management subsidiary of Prudential Corporation and is responsible for managing both the Prudential's own funds and the funds of a growing number of external clients.

PPM places particular emphasis on the quality of service it provides to its clients and the continued expansion of its client base has created a vacancy for a marketing executive.

We are looking for an economist or business graduate, aged 25-30, with investment experience who is able to write lucid investment analyses and reports.

Those who have to attract and hold the interest of a wide range of readers, many of whom will not themselves be investment or financial specialists. The work will also involve making investment presentations to clients and potential new clients.

PPM is pursuing a policy of expansion in

the financial services field and therefore this job, as well as being stimulating and demanding in its own right, will also provide wide-ranging marketing experience. There will be considerable opportunities for rapid career development.

An attractive package will be negotiated around £12,000pa and fringe benefits include a subsidised mortgage scheme, non-contributory pension and superb sports and social facilities.

Please write with full CV in strict confidence to Mark Fielder, Prudential Portfolio Managers Limited, 142 Holborn Bars, London EC1N 2NH.

**Prudential Portfolio  
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# Deputy Pensions Manager Midlands

This senior post with a major U.K. pension fund offers the opportunity to exercise, and further develop, professional skills over virtually the whole range of pension fund management. Reporting to the Pensions Manager, the person appointed would assume responsibility for the efficient management of the schemes and be closely involved with the development of policy. Besides having a thorough technical knowledge of the business, the successful candidate will be able to communicate effectively at all levels, including the preparation of literature for members; interpret and contribute to specialist advice on actuarial, investment, legal and other matters; provide a comprehensive service to the trustees; handle negotiations on the pension aspects of sales and acquisitions and be keen to work in a challenging environment which will bring its rewards to the right person. An attractive remuneration package, which includes a company car, will be offered and the position is likely to appeal to those who are already earning at least £15,000 p.a.

## Assistant to Manager

For the ambitious person who does not yet have sufficient experience for the above post, but is seeking meaningful career development, a new position is available at assistant level with exposure to all aspects of pension management. Applicants for this post will want to demonstrate their ability to exercise initiative and work with the minimum of supervision. APMI or ACII qualification would be helpful.

Both these positions are located in a modern office within easy reach of both rural housing and the larger towns of the area; relocation assistance will be given where necessary.

Please write giving details of your age, professional and other qualifications, current salary and experience, to:  
Lynne Robinson, Riley Advertising (Southern) Limited, Old Court House, Old Court Place, Kensington, London W8 4PD.

Please quote reference 63/4205 on both your letter and envelope and list any companies to whom you do not wish your application forwarded.



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COLIN KELSEY, EASTERN GROUP MANAGER on 01-902 8876.

JOHN TURNER, NORTH & WEST GROUP MANAGER on Liverpool (051) 709 6227.

Or write to JOHN BIRD, GENERAL SALES MANAGER, Cannon Assurance Limited, 1 Olympic Way, Wembley, Middlesex, HA9 0NB.

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Simply, you can be as successful as you want to be, and progress along with financial security and the rewards for those that make it to the top.

To find out more, telephone tomorrow:

**ALLIED HAMBRO  
FINANCIAL MANAGEMENT**

Mike Harris on 01-580 3833 if you live in London/South East, Maurice House on 021-454 8950 for the Midlands and John Love on 0274 72721 for the North.

# Manager EDP Systems Audit

*New appointment*  
**LONDON**  
c.£20,000, car, benefits

for a well known British group with a turnover in excess of £1bn. operating in the retailing, distribution and leisure sectors, and utilising a large scale IBM mainframe based interactive network.

Responsibility is for the development and management of an information and accounting systems audit and security department, to ensure that data integrity and security controls are implemented and maintained for all EDP based applications and operations.


Applicants must be able to demonstrate a sound knowledge of accounting practice. Preferably they will be currently operating as either a senior computer systems auditor, project manager or systems manager in a company employing large on-line systems.

An accountancy qualification and a university degree, probably in a numerate discipline, are considered essential. Probable age range is 28 to 35. Applicants must be experienced in conversing objectively and persuasively at all levels.

The successful applicant will be offered an excellent starting salary, a company car, and a range of significant benefits. The company offers excellent long term career prospects in a number of disciplines.

Please write or telephone for an application form to ANTHONY SPURR, Manager, Executive Selection Division, at the address below, quoting reference G1223. Applications invited from either sex.

BIS Applied Systems Limited  
York House, 139 Westminster Bridge Road  
London SE1 7UT  
Telephone 01-633 0866



# International Pensions and Insurance Specialist


**West London**  
c.£16,000

From their modern well equipped West London offices, my client markets and distributes the firms of Hollywood's largest studios in all parts of the world. The business is complex, dynamic, highly profitable and growing rapidly.

As part of the formation of an international personnel team, the company wishes to recruit a Pensions and Insurance Specialist who will report to the Vice-President - Personnel. The man or woman appointed will be responsible for the supervision of the company's international employee benefits arrangements (pension plans and life, accident and disability insurance schemes) and the administration and control of business insurance programmes worldwide.

You will need a strong background in pensions administration and a significant element of international exposure would be an advantage. While pensions management is the most important part of the role, some experience of insurance administration is necessary. You should possess well developed communication skills as you will be in frequent contact with brokers and company managers throughout the world. Additionally you will be confident of your ability to handle both volume and complexity with a degree of independence.

To find out about the scope of this interesting career opportunity contact Richard Goldie on (0992) 552552 or write enclosing a brief CV to Macmillan Davies Personnel Consultants, The Old Vaults, Parliament Square, Harford, Herts. SG14 1PL.

**Macmillan Davies Personnel Consultants** 

## BUSINESS DEVELOPMENT MANAGERS (City Background)

CAP, who are one of Europe's leading Information Systems Suppliers, have expanded their services so successfully over the last twenty years that they are now recognized by major Financial, Commercial, Industrial and Government users as one of the market leaders in their field.

CAP London Financial is the branch of the CAP Group dedicated to the financial community in providing computer-based solutions for all types of business problems. As part of its continued development, CAP London Financial now wishes to appoint three professional business managers to expand and manage its client base.

Ideally, the successful applicants should be aged between 27 and 40 years and have gained experience in either consultancy and/or management positions within one of the following areas: International Banking, Stockbroking or Consumer Finance. These appointments are extremely challenging and require a high level of communication skills, professionalism and determination.

A high basic salary in excess of £17,500 is being offered together with a company car, generous bonus scheme, private health insurance and pension scheme.

 For further details telephone 01-370 2012/3 or alternatively send a brief c.v. to NKB Associates Limited 159A Gloucester Road, London SW7 4TH.  
All enquiries will be treated in the strictest confidence.

## Major Merchant Bank - Foreign Exchange -

envisaged package c£30,000

A Senior Dealer is required by our client, one of the UK's leading merchant banks. The successful applicant will be employed as a key member of a highly profitable team, with direct responsibility to the department's Executive Director.

A proven track record, the ability to deal competently in a variety of currencies and a high level of motivation and commitment are seen as essential requirements.

The remuneration envisaged represents an attractive package and the above figure is merely given as a general indicator.

Interested applicants should contact Roger Tipple, MA, on 01-404 5751 or write to him at Banking and Finance Division, 23 Southampton Place, London WC1A 2BP quoting reference 3390. All applications will be dealt with in the strictest confidence.

  
**Michael Page Partnership**  
International Recruitment Consultants  
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Birmingham Manchester Leeds Glasgow

## Investment Consultancy

**Challenging role with leading City professional firm in the range £15,000-£25,000**

Our clients are widely recognised as one of the leaders in their field. They are a highly professional organisation and the work environment is stimulating.

As a result of the expansion of their investment consultancy business, they have a challenging opportunity for a highly motivated individual to provide advice to leading financial institutions. You will join a small team and be involved in the following areas:

- Long-term asset planning
- Selection of investment managers
- Asset allocation
- Measurement of investment performance
- Determination of investment strategies
- Portfolio accounting

Probably in your late twenties, you must have experience of the investment world, ideally in a consultancy role. An actuarial or accountancy qualification, an MBA or other relevant qualification would be an advantage, but is not essential.

Salary is negotiable depending on experience. Other benefits include assistance with relocation expenses, where appropriate. Early promotion to a Directorship will be considered if you provide a significant contribution to the growth of the business.

Please send a comprehensive CV. This will be forwarded direct to our client. List separately organisations to whom it should not be sent. B. G. Woodrow ref. B.1650.

*This appointment is open to men and women.*

HAY-MSL Selection and Advertising Limited,  
52 Grosvenor Gardens, London SW1W 0AW.  
Offices in Europe, the Americas, Africa, Australasia and Asia Pacific.

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CONFIDENTIAL ADVERTISING

### Fund Management

A major international bank is accelerating the development of its London performance-based fund management operation, and expanding its London-based international research capability. The following vacancies now exist within a small but highly motivated and thoroughly professional team:

#### Pension Fund Marketing

We are looking for someone to head up the expansion of our management for UK pension funds. We follow a careful and proven investment discipline. The right candidate will be educated and trained in investment questions and able to represent the unit to consultants and sponsors with the appropriate level of authority and understanding. We are not necessarily looking for long experience, but a sophisticated understanding of fund management will be required.

#### Analyst/Investment Manager: Japanese equities

#### Analyst/Investment Manager: UK equities

We require 2 Analysts with a minimum of 2 years' experience of Japanese and UK markets to join the research team. We want to meet enthusiastic and ambitious individuals with a high level of competence in investment-related financial analysis. You will be looking to join an investment group which has been designed for the changing investment needs of the city. We have in place a disciplined investment methodology designed for the superior results required by an increasingly competitive environment.

#### Reserve Asset Manager

In the fixed income section of the fund management team, we have an exceptional performance record. We are looking to take on an additional member of the team. Since our approach is less than conventional, your training is unlikely to come from the Eurobond markets: you may have a background in the gilt-edged or other domestic markets or in foreign exchange.

All four positions carry attractive salaries and the fringe benefits you would expect from a leading international bank. The group operates with a high degree of autonomy: your future career development will reflect directly your own efforts, and the continuing success of the group.

Candidates should apply in writing with a detailed cv, stating which position is of interest to them, to PO Box A8606, Financial Times, 10 Cannon Street, London EC4A 4BY.

## FUNDS MANAGER/ACCOUNTANT

**BUILDING SOCIETY - DERBYSHIRE**  
**£12-£14,500 + CAR + BENEFITS.**

The Derbyshire is a strong regional building society with assets approaching £500m and 53 branches. Later this year our senior accountant responsible for corporate finance retires from executive duties. In restructuring our finance division, we seek a person experienced in managing cash and investments (mainly British Government securities).

The main responsibilities will be the management of the Society's liquid funds, currently totalling nearly £100m, and the development of the Society's wholesale funding requirements. Therefore, the requirement is for someone with relevant experience and expertise in this area - not necessarily with a building society.

As the successful applicant will also be expected to make a positive contribution to other areas of the Society's financial operations, it is important that an interest in accountancy functions can be demonstrated.

We would expect applicants to be aged 28-40 years, possess a relevant professional qualification, be self-motivating, capable of detailed work, and have the ability to think on a strategic level. In addition to numeracy, communication and staff management skills will also be important.

We can offer a challenging job and a fine working environment in pleasant Derbyshire countryside. In addition to the usual benefits, a staff mortgage scheme is available.

Applicants should write direct to N Pugh FCA, marked "Funds Manager, Confidential," enclosing a full CV.

**Derbyshire Building Society, Duffield Hall, Duffield, DERBY DE5 1AG**

**The Derbyshire BUILDING SOCIETY**

# JAMES CAPEL & CO.

## SENIOR PRIVATE CLIENT EXECUTIVES

We require two additional senior executives to help in the further expansion of our Private Client Department.

Preferably aged 35-45, applicants will have extensive experience of private client portfolio management and may already be principals in their present firms.

The successful candidates will be expected to take responsibility for looking after a growing number of clients, both on a discretionary and non-discretionary basis, and to make an active contribution to the department's continued development.

If you think you might be interested, please write in confidence to:

N.A. Fraser,  
James Capel & Co.,  
Winchester House,  
100 Old Broad Street,  
London EC2N 1BQ.

### ACQUISITION ASSIGNMENT

A company in SE London seeks a person to conduct an acquisition search. The job might appeal to a recently redundant or retired executive, but age or circumstances will not be a barrier. Experience as a senior level in the areas of Fluid Control Instrumentation and/or Engineering Plastics is required, either in a General Management or Marketing role. Essential personal requirements are energy, resourcefulness and a determination to get the job done. The position is seen as a temporary assignment of up to one year. Salary is negotiable circa £10-15,000 and the successful candidate will enjoy the benefits of being a member of a large international group.

Applicants should write to Box A8608, Financial Times 10 Cannon Street, London EC4A 4BY with a brief personal cv. All applications will be answered.

### INVESTMENT ANALYSTS

We are currently recruiting on behalf of three leading stockbrokers for experienced analysts with proven track records in the following sectors: Building, Chemical, Electrical, Banking, Engineering, etc. Excellent salaries and benefits are envisaged for successful candidates.

We are also conducting interviews for graduate trainee positions in stockbroking and would be interested to hear from applicants with a degree in Maths, Physics or Economics.

We have many vacancies for experienced stockbroking clerical and secretarial staff.

CONTACT SERVICES STAFF BUREAU  
35 NEW BROAD STREET, EC2 01-438 9477

## Eurobonds - New Issues Manager

**London/City** **Circa £25,000 plus usual benefits**

Our client, a major prestigious Merchant Bank, with an enviable reputation in international finance, is seeking to recruit a New Issues Manager.

Reporting at Director level, you will be responsible for and familiar with all aspects of preparation and execution of documentation, also pricing in both Sterling and Dollar sectors. You will be expected to manage successfully all new issue operations, and must be able to contribute to the formulation of marketing plans. Some overseas travel is envisaged.

Aged 27-35, you will have 4-5 years' experience in New Issue activities, preferably gained in a banking environment. You must be articulate and self-motivated, with a positive approach. Your personal presentation will be immaculate and good inter-personal skills a pre-requisite. Fluency in another European language would be an advantage.

To discuss this opportunity please telephone or write in confidence to Beverly Kemp reference BR

  
**Lloyd Chapman Associates**  
123, New Bond Street, London W1Y 0HR 01-499 7761

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# HOW MANY INVESTORS IN BUSINESS INVEST IN THEIR OWN BUSINESS BRAINS?

At most investment companies, there is never a shortage of financial brains. Whereas business brains may often be very thin on the ground – if there are any at all.

At 3i, on the other hand, you'll meet both. But you won't meet a single stuffed shirt.

We're a private sector company and our attitude is both creative and innovative. And, because we're businessmen, we're quick to recognise a good business challenge.

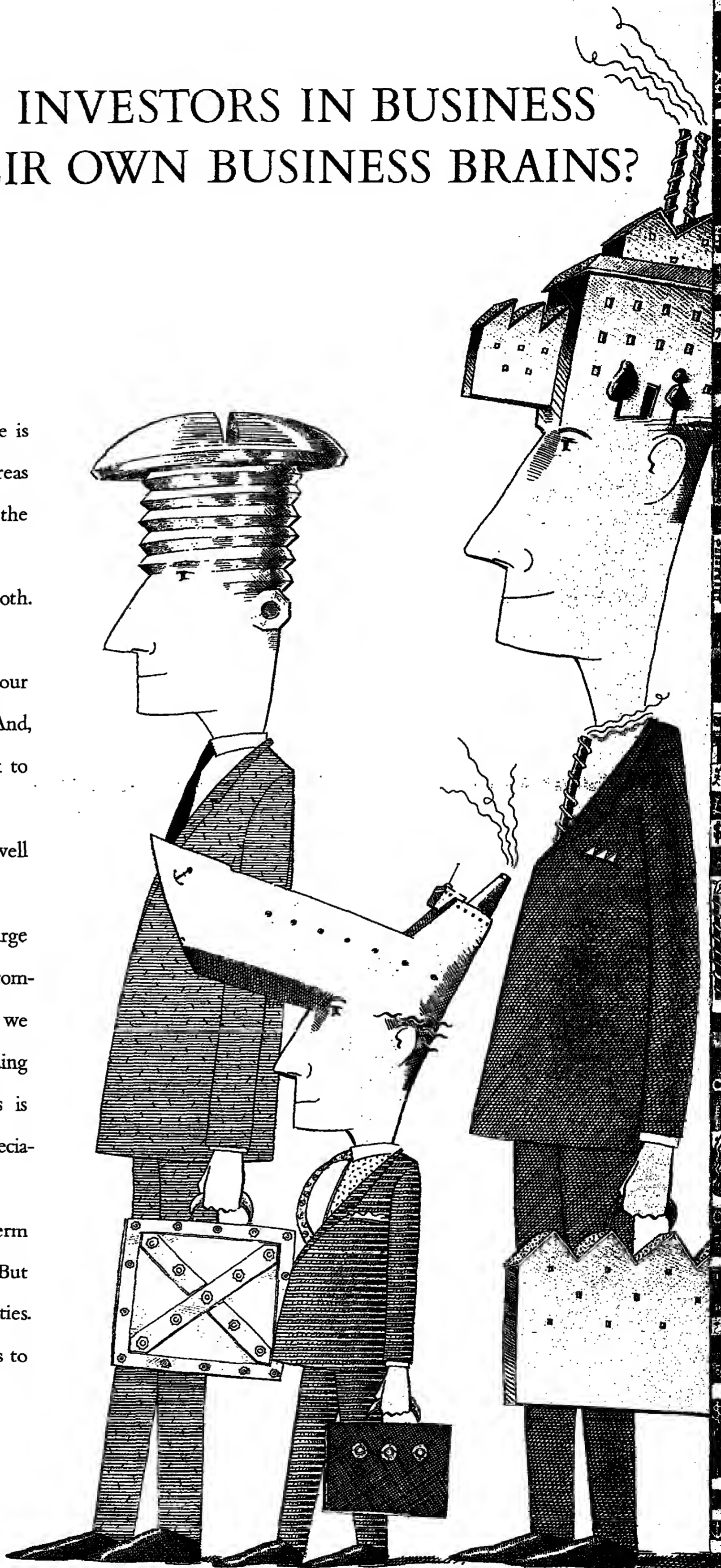
Equally, and in all modesty, we are well equipped to act on our decisions.

Within the 3i group, we deal with large projects and are prepared to back any one company with up to £35m or more; we have ICFC, whose understanding of small companies' problems is unique; and our Ventures Division who specialise in high-technology businesses.

Up to now, we have enjoyed long-term relationships with over 8,000 businesses. But we're always looking for fresh opportunities.

Thank goodness we've got the brains to recognise them when they arise.

THE CREATIVE USE OF MONEY.



# Accountancy Appointments

**MANAGER FINANCIAL CONTROL**  
c. £17,000 + benefits

Our client, a leading merchant bank, seeks applications from chartered accountants, aged 27-35 with at least three years post qualification experience for this prestigious career post. You will be responsible for a number of vital functions such as maintenance of bank own accounting system and providing general advice. You should be a self starter with a good understanding of tax matters, capable of motivating a small team.

For full details of this and our many other vacancies call Robert Miles 01-435 4381 CRAWFORD RECRUITMENT SERVICES

**CHARTERED ACCOUNTANT**

Financial consultancy specialising in international tax structuring and trust work requires a young and ambitious CA for training and development. Foreign languages helpful but not essential. West End offices - excellent potential.

Write in confidence with personal details to Box 48612 Financial Times 10 Cannon Street, London EC4P 4DY

## Chief Accountant

Investment Banking

**£28,000 plus banking benefits**

A rapidly expanding Licensed Deposit Taker, a subsidiary of a leading European Bank, seeks to appoint a Chief Accountant. The company offers a broad range of investment banking services and is particularly well established as an issuing and trading house in bonds and equities. Staff totals 90 and is increasing steadily. The Chief Accountant, who will report to a Director, will be fully responsible and accountable for all accounting functions and for special projects as appropriate. The latter will include close involvement in the continued development of recently implemented computer systems. The appointee will be a chartered

accountant in his or her 30's. Relevant experience within a bank, ideally with a securities emphasis, or a stockbroker is essential. A strong systems background and proven staff management skills are also required.

Please write in confidence, enclosing career details and quoting reference 25771/L, to N.P. Halsey, Peat, Marwick, Mitchell & Co., Executive Selection Division, 165 Queen Victoria St., Blackfriars, London EC4V 3PD.

**PEAT MARWICK**

## Finance Director (Designate)

**£17,000+ car**

**Bucks.**

Our client, a small privately owned high tech manufacturing company, is a profitable (£1 million turnover) specialist in the field of business communications equipment. They have achieved considerable penetration in the market place, both in the UK and overseas and their innovative design has established a significant reputation with major blue chip companies and multinationals. A three-fold increase in turnover is projected in the next two years with exports accounting for over 35% of total sales and plans are in hand for an early flotation onto the USM.

To facilitate this development a bright, dynamic Accountant is now required to head the total finance and administration function. Further duties will include computer development, close liaison with the marketing function on pricing policy etc. and the imposition of tight financial controls. Reporting to the Managing Director, candidates will be qualified Accountants aged around 30 with the commercial awareness, drive and commitment required to identify with this progressive environment and successfully guide the company through their next anticipated phase of expansion.

Excellent career prospects exist for a dedicated and outgoing individual with the potential to grow on a parallel with the company. Candidates should write to Philip Cartwright, ACMA, Executive Division, enclosing a comprehensive curriculum vitae, quoting reference 126, at PO Box 143, 31 Southampton Row, London WC1B 5HY.

**Michael Page Partnership**  
International Recruitment Consultants  
London New York  
Birmingham Manchester Leeds Glasgow

## European Controller - Amsterdam

**DFL 90,000 + Car + Substantial large company benefits**

Our client, a major US corporation in the entertainment industry, with an expanding European presence, currently seeks a financial executive to be based at their offices in Amsterdam.

Reporting to the Financial Controller, New York, and responsible for a professional team of 6, this key role encompasses a wide range of responsibilities to include:-

- ★ Preparation of routine & fiscal year end statements
- ★ Financial analysis, planning and reporting
- ★ Budgetary control and foreign cash forecasts
- ★ Operational review & liaison with external auditors
- ★ Performance monitoring of joint venture companies

Candidates aged 27-35, will be qualified accountants with an MBA or equivalent and a minimum of 5 years p.a.e. in a fast moving international environment. Fluency in English together with a working knowledge of computer systems is essential. An effective communicator, you must be self motivated with the potential to work under pressure & the flexibility to undertake at least 25% travel.

This highly visible role presents a challenging and rewarding career opportunity for an individual capable of maintaining a high standard of performance in this dynamic market sector. Relocation assistance is available.

Interested applicants should contact Mark Brewer on London 831-0431 or send a comprehensive C.V. to Michael Page International, Sicilian House, Sicilian Avenue, London WC1A 2QH. Interviews will take place in London.

**Michael Page International**  
Recruitment Consultants  
London New York  
Birmingham Manchester Leeds Glasgow

## Finance Director

**Marine Services**  
**Central London**  
**to £22,000**

This substantial organisation offers a unique range of marine-related services around England and Wales. In supporting a large number of remote installations, it operates its own fleet of vessels and a significant engineering facility. Historically there have been few matters of maritime interest in which it has not had influence or involvement and it plays a vital and active role in maritime safety, both nationally and internationally.

Emphasis on improved management information systems and greater cost control has created a need for a new position of Finance Director. As a member of the Executive Board, the role will take full responsibility for preparing financial plans and policies, all accounting practices and liaison with the financial community. The initial task is to develop and implement a systems strategy to meet the information needs of both financial and operational management. This is an important appointment, challenging to the full your technical and inter-personal skills. Candidates will be qualified accountants with successful experience of leading a comprehensive financial service and of effecting change in a well established, structured environment. Experience of installing computer based information systems is a prerequisite. Essential personal qualities include Board level presence, diplomacy, total technical confidence and well developed people management skills.

Please reply in confidence giving concise career and personal details and quoting Ref: ER697/FT to J.D. Tomlinson, Executive Selection.

**Arthur Young McClelland Moores & Co.,**  
Management Consultants,  
Rolls House, 7 Rolls Buildings,  
Fetter Lane, London EC4A 1NF.

**ARTHUR YOUNG MCCLELLAND MOORES & CO.**  
A MEMBER OF ARTHUR YOUNG INTERNATIONAL

## Securities Industry

- A fascinating challenge in a changing environment

This is a first-class opportunity to apply your experience -

- ★ You're young - late 20s, early 30s
- ★ You have a degree and several years' post-qualifying experience
- ★ You are decisive and adaptable
- ★ You are mature and used to dealing with senior professionals
- ★ You thrive on challenge, and being at the 'sharp end'
- ★ You've particular qualities, but know that the constraints placed by working within a traditional financial environment prevent you from realising your full potential.

A paradox? Perhaps - but that is just what is needed for a tough and demanding job we have for a skilled professional. Someone, perhaps, who has a knowledge of the requirements for listed companies and for companies in the U.S.M.

If you feel that you can match these qualities and experience, we'd like to meet you to discuss the details of the job in our Quotations Department, and the benefits package which includes a negotiable salary of around £20,000 p.a. plus a car.

Please send your curriculum vitae, or telephone for further information to: Jennifer Gregson, Senior Personnel Officer, The Stock Exchange, Old Broad Street, London EC2N 1HP. Telephone: 01-588 2355 (ext. 5663).

**The Stock Exchange**

## Chief Accountant

Gloucester c£20,000 + car

Trident Life is one of the major Unit Linked Life Offices. Part of a very successful £4bn US corporation, the company has grown rapidly to £260m of funds under management and has ambitious plans for substantial future growth.

A high calibre Chief Accountant is now sought with the experience and ability to help inspire and control this expansion at a senior level.

Reporting to a main Board Director the successful applicant will take full responsibility for accounting, internal control procedures and taxation.

The prime objective is to provide reliable management information, allowing business decisions to be made quickly and with confidence. Maximising the use of cash resources and involvement in planning strategic growth will present further challenges.

Candidates must be qualified Accountants aged around 35, who can demonstrate a successful career in a progressive, profit conscious environment, involving sophisticated financial reporting.

The successful applicant will need to have a professional, enthusiastic and participative approach and above all, a commitment to achieving tangible results. Experience of insurance or a financial institution would be useful.

Please write with comprehensive personal and career details to: Mr. A. Austin, Group Personnel Manager, Trident Life Assurance Co. Limited, London Road, Gloucester GL1 3LE.

**Trident Life**  
A member of the Generali Group

## Group Finance Director

Diversified PLC

from £30,000 City

Our client is a long-established public company which diversified from its traditional base in shipping in the sixties. Current turnover is in excess of £60m., and the group's activities now include the manufacture of security products and systems, insurance broking and agency, road haulage, warehousing, and liquid gas engineering in addition to shipowning and related services. The group has been significantly re-structured during the recent recession and is seeking to resume its expansion under a newly-strengthened senior management team.

The Group Finance Director is a new appointment reporting directly to the Executive Chairman. Responsibility will cover all aspects of financial control as well as advice to the board and subsidiaries on accounting and taxation matters, cash forecasting, acquisition strategy and the effective use of the group's assets and financial resources.

The successful candidate will probably be aged under 45 and must be a qualified accountant with successful board level experience in manufacturing or service industry. The group is decentralised so that travel within the UK and abroad will be required.

Salary negotiable, car and share option scheme.

Please write - in confidence - to David Bennell ref. B.43758.

*This appointment is open to men and women.*

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52 Grosvenor Gardens, London SW1W 0AW.  
Offices in Europe, the Americas, Africa, Australasia and Asia Pacific.

**HAY-MSL**  
MANAGEMENT SELECTION

## Financial Controller

South Wales £20,000 + Car

Our clients, who are UK leaders in the health care market, sales currently around £9m. have recently been acquired by a US company with an excellent growth record in their field.

Responsible to the Managing Director, key tasks will include the design and implementation of effective cost accounting controls, the integration of financial reporting procedures to US requirements and the completion of computer based accounting systems.

Candidates will be in their 30's, preferably chartered accountants, with a strong background in cost accounting and controls as well as a broad experience in financial management. A knowledge of US reporting requirements would be useful. An appointment to the Board will follow within 18 months.

Location an attractive part of Mid Glamorgan.

Please write - in confidence - giving full details to David Dodd ref. B.17708.

*This appointment is open to men and women.*

**HAY-MSL Selection and Advertising Limited,**  
50 Queen Square, Bristol BS1 4LW.  
Offices in Europe, the Americas, Africa, Australasia and Asia Pacific.

**HAY-MSL**  
MANAGEMENT SELECTION

## GROUP FINANCIAL CONTROLLER

SURREY, c£18,000, CAR + USUAL BENEFITS

This PLC, engaged in manufacturing and distribution, has a turnover above £50 million p.a. and plans further expansion. As a senior member of a small head office team you will be responsible to the Group Managing Director for:

- monitoring group performance
- statutory reporting
- financial planning and forecasting
- tax planning

We are looking for an ambitious young C.A. from the profession or industry, seeking the prospects that an anargatic, expanding company can offer.

Please write with C.V. to R. H. Gunick, 35 St. Thomas Street, London SE1 9SN.

## Group Financial Controller

ENGINEERING South West of London c. £16,000 + car

Our client, a well established, publicly quoted engineering group with Headquarters in the South West of London, seeks a qualified Chartered Accountant with experience of exercising full control of an accounting function at Group level to report to the Group Managing Director.

Principal responsibilities will include:

- consolidation of subsidiary company accounts
- group profit and expenditure forecasts
- group and company taxation matters
- group internal audit
- overall control of the Head Office Accounts Department
- group cash flow monitoring

The successful candidate will probably be over 45 years of age and will be prepared to undertake considerable travel within the United Kingdom.

Men and women are invited to write in confidence giving career details, age and current salary. Please include your telephone number and quote 4284/FT on envelope and letter.

**urwick** **Orwick, Orr & Partners Limited**  
MANAGEMENT AND SELECTION CONSULTANTS  
Baylis House, Stoke Poges Lane, Slough SL1 3PF

# Accountancy Appointments

## Management Accountant

Merchant Bank  
City  
to £25,000  
including benefits

Our client is a major UK merchant bank employing over 600 people worldwide, which has recently strengthened its own corporate planning and management services team to facilitate actual and planned growth.

A Management Accountant is sought to join this small central group. Reporting to the Finance Director, the position carries responsibility to develop and operate new MIS systems for planning and control in conjunction with the present Financial Controller. Initial tasks are to install new budgeting and reporting systems for the bank's various client services.

Candidates must be qualified accountants, probably 28-32, with practical experience of costing systems

and computerised accounting, probably gained in a large company. Knowledge of bank accounting is not essential. Personal qualities sought include determination, an enquiring mind, tact and strict attention to detail.

Please send full personal and career details in confidence to Peter Ginnings, quoting reference 1322/FT on both envelope and letter.

**Deloitte Haskins & Sells**  
Management Consultants  
128 Queen Victoria Street, London EC4P 4JX

## Chief Accountant

Property Development  
£16,000-£18,000+ car

We seek a Chief Accountant to take responsibility for all accounting and financial reporting for a very substantial office development scheme in the City of London.

The appointee will be required to establish appropriate systems, exercise tight financial control, liaise with professional advisors and report both to the parent company in Canada and to the local project director.

Candidates should be qualified accountants of sound technical ability and above-average initiative. Relevant

industrial experience is essential, ideally but not essentially in the construction or development sector.

Please write in confidence, enclosing career details and quoting reference 4987/L, to N.P. Halsey, Peat, Marwick, Mitchell & Co., Executive Selection Division, 165 Queen Victoria St., Blackfriars, London EC4V 3PD.

**PEAT MARWICK**

## Financial Controller

C. London c£30,000+ benefits package

Our client is a major international company with considerable interests in freight, transportation and other widespread activities. They currently require a high calibre accountant to undertake a substantial role within the company's finance function.

This senior appointment primarily takes responsibility for:-

- \* Financial reporting
- \* Budget control and review
- \* Investment/divestment appraisal
- \* Financial planning
- \* Consolidation of divisional accounting
- \* Evaluation of operations performance

Unlike to be aged under 35, candidates will be qualified accountants, preferably graduates, with at least 10-15 years' exposure to all aspects of financial management, gained in a senior position with a sizeable company or group. An assertive character, capable of critical appraisal is vital for success in this demanding position, together with the ability to make a positive contribution to the future success of the company.

Candidates should write to Philip Cartwright, ACMA, Executive Division, enclosing a comprehensive curriculum vitae, quoting reference 127, at P.O. Box 143, 31 Southampton Row, London WC1B 5HY.

**MP**  
**Michael Page Partnership**  
International Recruitment Consultants  
London New York  
Birmingham Manchester Leeds Glasgow

## Project Accountant

Marketing Co.

Surrey/Kent Border

to £16,000 + car

A subsidiary of a substantial US corporation, the company markets and distributes its products and looks to both industrial users and consumer outlets. A leader in a highly competitive market, it has an impressive growth record and exciting plans for the development of new products.

As part of its drive for greater efficiency, the company is introducing a new, on-line, fully integrated EDP system. As a result, a qualified accountant is needed to provide effective leadership for the project, liaising between the supplier and the various users to ensure a smooth implementation. When the installation is successfully completed, within the next six to nine months, there will be the opportunity to replace the current Financial Controller.

Candidates should be qualified accountants, probably ACMA, aged up to 30. You should have experience of

EDP systems installation, with exposure to sales oriented organisations and a broad background of accounting for management. Whilst organisation and communication skills are essential to lead this type of project, you will need additional qualities to take on the controllership: a commercial attitude, maturity and decisiveness. An attractive remuneration package with the possibility of a car will be offered depending on the potential, experience and seniority of the person appointed.

Please reply in confidence giving concise career and personal details and quoting Ref: EFB8/FT to H.F. Male, Executive Selection.

Arthur Young McClelland Moores & Co., Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NF.



**Arthur Young McClelland Moores & Co.**

A MEMBER OF ARTHUR YOUNG INTERNATIONAL

## Financial Controller

City c£21,000+ car

Our client is the London Commodity Exchange Company Limited, a non-profit making company providing office and trading floor accommodation together with secretarial, administrative and technical services to a number of commodity futures markets. A vacancy has now arisen for a Controller of Accounting and Administration.

The position reports to the Executive Director and carries responsibility for all accounting and administrative matters. In addition the Controller will play a significant role in the financial planning of the Company and its member associations.

Candidates, aged between 38 and 50, must be qualified chartered accountants, with substantial senior level commercial experience in a service industry environment, ideally in the financial sector. Previous exposure to the problems of project managing a large computer systems implementation or office relocation would be a significant advantage. In addition applicants should be familiar with modern office technology and experienced in the use of at least one of the micro-based financial modelling packages. A high level of interpersonal and communication skills will be required, together with the ability to motivate and develop staff. Finally, some knowledge of the working of commodity futures markets would be useful.

The position offers a chance to make an impact on a well established company which is facing a challenging and changing future. The financial rewards will also be attractive, including a negotiated salary of around £21,000, fully expensed car, pension and life assurance scheme, BUPA, and so on.

Candidates, male or female, should apply by sending a detailed CV (including current salary) to Alan Gilmour, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY. Please quote reference MCS/9042.

**Price Waterhouse**  
Associates

## Group Financial Controller

(Director designate)

West Yorkshire c£20,000 + car

This key appointment is with a well-established, profitable and expanding independent group of companies with interests in distribution, storage and retailing.

Reporting to the Group Managing Director, the successful candidate will accept total responsibility for the entire financial and management accounting functions. Other important areas include the installation and development of EDP systems, financial reporting and reviewing recommendations for future growth.

Candidates, preferably graduate chartered accountants should be aged 30 to 40 and have had a minimum of five years industrial or equivalent experience. Maturity, determination, a high degree of commitment and willingness to work hard are essential pre-requisites as is a keen sense of humour. A successful performance will lead to a board appointment in the medium term.

Ref: 84/394 FT

Apply in the first instance to Brian R. Daniels, Daniels Bates Partnership, Josephs Well, Hanover Walk, Park Lane, Leeds LS3 1AB. Tel: (0532) 461671 (5 lines).

**Daniels Bates Partnership**  
PROFESSIONAL RECRUITMENT

## Finance Director

London-based

The successful candidate, who will have a legal/business affairs background, has an unrivalled opportunity to help shape and direct the growth of a well-funded, presently small, new production company which is making films and film series for worldwide theatrical and television use.

Salary by negotiation.  
In the first instance please write to Charles Denton, Zenith Productions Ltd., 35 Portman Square, London, W1A 2BZ, explaining why you are the man or woman for this job. Zenith is a subsidiary of Central Independent Television PLC.

**ZENITH PRODUCTIONS LTD**

## Financial Controller

Central Kent

A financial controller is required to join the management team of this small and successful electronics group which is quoted on the USM. The group's turnover is rising rapidly and prospects for further growth are excellent.

Reporting to the Chairman, the controller will provide the day to day financial input for board decision making and assume responsibility for all aspects of accounts preparation. Leading a small department, other priorities include reviewing existing computer systems and enhancing management information and controls.

The need is for an enthusiastic qualified accountant, aged 26-32, with a flair for administration and a practical grasp of the financial and secretarial requirements of manufacturing companies.

Remuneration will reflect the seniority of the appointment and will include a car.

Please reply in confidence to CT Garcia (Ref 6671F).

**TML KMG**

Thomson McLintock Associates 70 Finsbury Pavement London EC2A 1SX

## Accountants

Start your own Business  
Invest £6,500. Earn £20/50K

My client is a highly successful business advisory organisation and its services are in such demand that additional Associates are now required throughout the UK. As a professionally trained man or woman, you will receive every assistance and sustained support to enter into business for yourself. This will enable you to help other new businesses get off the ground, giving financial, taxation, legal and development advice, for example.

The back-up you will receive even feeds you with regular enquiries in your area, and the company's full time specialists are always at your disposal if required.

Interested? Then, ring or write to me, Richard J. Sowerby, Sowerby's (Selection) Ltd., Personnel Consultants, 800 Chesham House, 150 Regent Street, London W1R 8PA. Tel: 01-439 6296.

**Sowerby's Selection**

## Financial Consultant

We are professional advisers to expanding companies, specialising in government grants and general funding packages. We seek energetic self-motivated experienced Accountants/Financial Managers who enjoy varied and mobile work. Accounting qualifications, knowledge of government grants and consulting experience are particularly desirable. The remuneration package offered will relate to the individual concerned and will contain a substantial performance-related element.

Intending applicants should write with full career details to:

DAVID R. FRASER  
INDAB MANAGEMENT SERVICES LTD.  
Indab House, Swinton, Manchester M17 3WE



## Manager, Special Services

(with partnership prospects)

Manchester Negotiable salary + car

The Manchester partnership of Pannell Kerr Forster is an active and expanding part of an international firm of chartered accountants. With some 90 partners and staff, the practice offers a wide range of accounting, auditing and associated professional services to private and public companies and non-profit making organisations, both large and small.

As part of an overall expansion plan the practice now wishes to establish a Special Services Department to undertake investigations and reports into potential acquisitions, raising finance, share valuations or as reporting accountants in Stock Exchange flotations and other such specialist services. The appointment of a Manager with proven skills and experience in this area capable of establishing and promoting these specialist activities, is seen as a key part of this development.

The successful applicant, in their late twenties or thirties, will be a Chartered Accountant with a progressive career history in a substantial accounting firm. The need to be a self starter able to produce positive results, in time sensitive situations, is of paramount importance for success in this appointment and the realisation of the partnership opportunities available.

In the first instance please write in complete confidence quoting reference 6480 and submitting a concise curriculum vitae to:

Peter Childs,  
Pannell Kerr Forster Associates,  
New Garden House,  
78, Hutton Garden,  
LONDON EC2N 8JA.

**Pannell Kerr Forster Associates**  
MANAGEMENT CONSULTANTS

## TAXATION ASSISTANT

London (City) c. £13,000+ benefits

This new vacancy arises in the taxation department of a major division of a leading British group whose diverse products and services are of national repute.

The ideal candidate must have sound practical experience of Corporation and Capital Gains Tax computations and a thorough knowledge of accounting and business principles gained in industry, the Inland Revenue or a professional firm. Reporting directly to the Taxation Manager he/she will prepare the taxation computations of certain allocated statutory companies and achieve agreement with the Inland Revenue.

Candidates must have the personality to establish good working relationships with senior management and demonstrate the ability to accept additional responsibilities in due course.

Applications under Ref. No. EC216 to: Miss Marton Williams, Exel Recruitment, 4 Bouverie Street, London EC4V 8AR. Tel: 01-353 5272

**Exel Recruitment Executive Selection Consultants**

## FINANCIAL CONTROLLER

Leicester-Northants Border c.£17,000 plus car

A wholly-owned engineering subsidiary of an established International Group is seeking a high-calibre qualified accountant to join the senior management team.

The Financial Controller will report to the subsidiary's Managing Director and responsibilities will cover all aspects of the finance, planning and data processing functions.

Candidates (probably aged 35-40) will have proven industrial experience in a manufacturing/engineering environment with the capability to view operations from a commercial as well as financial standpoint.

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Please send, in confidence, full personal and career details to: Finance Director, BOUSTEAD plc, 14/15 Conduit Street, London W1R 9TG

هكذا صنعنا العمل

# Accountancy Appointments

## Taxation Accountant

London to £16,000

Our client, one of the UK's major construction and civil engineering groups, operates in over 30 countries throughout the world. Continuing expansion and growth has secured a significant share of the market, both at home and overseas, with over 60% of the turnover attributed to overseas projects. The company is seeking to appoint an experienced person to join the active taxation department, which is responsible for advising and monitoring all aspects of group UK and overseas taxation. Reporting to the Taxation Manager, this appointment will incorporate a variety of activities, specifically to include:

- ★ Full UK compliance.
- ★ Participation in non-UK tax systems.
- ★ Tax planning and research.

Candidates must possess an accountancy or other suitable qualification, with a minimum of three years' relevant experience, backed by the enthusiasm and communication abilities necessary to provide an effective service to group management.

Interested applicants should contact John Sheldrake, Executive Division, on 01-405 0442 or write to him enclosing a comprehensive curriculum vitae, quoting reference 128, at PO Box 143, 31 Southampton Row, London WC1B 5HY.

**MP**  
**Michael Page Partnership**  
 International Recruitment Consultants  
 London New York  
 Birmingham Manchester Leeds Glasgow

## Manager Corporate Accounting

N W London to £16,000

Our client is an innovative and world-leading company in the highly competitive field of petrochemical plant design and construction.

They currently seek an accountant with experience of computerised accounts in a large multi-national environment. Applicants must also have a sound working knowledge of UK corporate and personal taxation. Probably an ACA or ACCA and aged 30-35, you must be able to demonstrate the ability to work in a very demanding situation.

Although based in North West London, the person appointed will be expected to travel in the UK and overseas.

Our client is offering a highly competitive salary together with those benefits associated with a company of their international standing.

Please write with full CV, indicating companies to whom your application should not be forwarded, to A R Ward, CRS 332, Lockyer, Bradshaw & Wilson Limited, 178 North Gower Street, London NW1 2NB.

**LBW**  
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 LIMITED

## Finance Manager

c.£18,000 + car and substantial benefits  
 Sussex Coast

A rapidly expanding subsidiary of a large UK financial services organisation requires a first rate finance manager as an addition to its management team. The company is already a significant force in its field and is currently implementing a major development programme involving a radical change in its operating method combined with a drive to increase its market share.

The Finance Manager will be primarily responsible for monitoring the financial performance of the company, communicating this effectively to management and advising on courses of action. This will include the supervision of the small accounting team and will require further systems development and implementation.

Applicants should be qualified accountants, preferably graduates, with several years post qualification experience in a large profit oriented industrial or service company. Well developed management abilities are needed combined with the intellect and energy to diagnose and solve problems.

The benefits include subsidised mortgage, non contributory pension scheme and curranly on annual bonus. Age range 28-35. Candidates should apply in writing, quoting ref. L178, to:

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 Mason & Nurse Associates  
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 Strand  
 London WC2E 7EB  
 Tel: 01-240 7805

**Mason & Nurse**  
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London Based  
 c.£18,000 + Car + Benefits

We have been retained by a major American multi-national manufacturing and marketing group to advise on the appointment of a Manager and three Operational Auditors to this newly created department. The work is challenging and varied and will involve management and systems reviews as well as ad hoc assignments. Travel of 30/50% will be mainly throughout Europe and therefore knowledge of a second language would be advantageous, however, other areas will also be visited. For accountants of above average ability prospects of advancing in both Financial and General Management are excellent. Applications are invited from qualified accountants 25/32 with broad audit experience and the style to mix easily with top management. In addition to attractive salaries, Manager c.£18,000 + Car Auditors to £15,000, benefits include non contributory pension scheme, BUPA and life assurance.

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High Technology

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c.£25,000+car

This will be an extremely challenging job, consolidating all your technical, personal and creative business skills developed so far.

The company offers innovative commercial applications of high technology. Technical inventiveness, entrepreneurialism and aggressive marketing have established it in a unique position in its market place. Plans for the next five years see turnover increasing ten-fold, from its current base of around £7 million, including strategic acquisitions.

As part of the management team, you will contribute to achieving the company's business objectives by assessing all current commercial and financial assumptions and setting tight target dates. Beyond this, the role assumes total responsibility for running a disciplined, forward-looking finance function and for providing a continuous commercial support to general management. Success will be measured by your influence on management towards achieving the given goals.

Candidates must be qualified accountants, ideally graduates, who can demonstrate outstanding contribution to a demanding, competitive and sophisticated assembly or production environment. A forthright, committed personality combined with a creative, professional business attitude is essential to fit with the current management style. The growth will provide very real prospects for personal advancement.

Experience depth required indicates an age parameter of late 30s. Please reply in confidence giving concise career and personal details and quoting Ref. ER656/FT to I.D. Tomison, Executive Selection.

Arthur Young McClelland Moores & Co.,  
 Management Consultants,  
 Rolls House, 7 Rolls Buildings,  
 Fetter Lane, London EC4A 3TH.



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## In twelve months, you'll be promoted from Deputy to Cost & Management Accountant within a major UK based group.

This is not a miraculous prediction from the oracle. It's a plain statement of fact which will apply to you if you're the ACMA qualified man or woman our client is seeking. The company is indeed part of a highly successful international group providing materials and services to the construction industry. At Head Office in mid-Surrey a Deputy Cost & Management Accountant is being sought now who will take over the senior position in a year's time due to internal promotion. You would also be taking over a sophisticated, extensively computerised department with four staff. This would be a superb career move if you're

in your mid/late twenties with at least two years' post qualification experience in a commercial/manufacturing environment, during which time you've already demonstrated your skills in man-management. In other words, you'll be quite ready to take over the role when the time comes. The prospects are excellent, the salary attractive and the benefits generous. They include five weeks' holiday and exceptionally generous relocation expenses. Make the first move by writing, in the first instance and in confidence, with concise details of career to date, stating any companies to which your application may not be sent, to: F.R. Wilcockson, Director (Ref. 274).

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## PETROMIN MARKETING DHAHRAN SAUDI ARABIA DEPUTY CHIEF ACCOUNTANT

Petromin Marketing requires a qualified Chartered Accountant with at least five years' experience, preferably in oil industry. Knowledge of Arabic an asset. Age 35-45 years. Benefits include: Salary to £24,000 p.a. tax free, commensurate with qualifications and experience; housing allowance; free health care; free return tickets for annual holiday. Complete curriculum vitae, including telephone number to: Managing Director, Finance and Administration, PETROMIN MARKETING, P.O. Box 50, Dhahran Airport, Dhahran 31932, Saudi Arabia.



## International Tax Planning - Ipswich

Salary negotiable - from £20,000 p.a.

Guardian Royal Exchange is one of Britain's leading and most successful composite insurance companies. We are represented throughout the United Kingdom and in some 80 countries overseas. Although we remain firmly a part of the traditional financial centre of the City of London, our Head Office functions are split between a number of locations and Ipswich is the centre where the majority of our financial control departments are situated.

We wish to engage a professionally qualified senior official for our Head Office Finance Department who will be responsible to the Assistant General Manager (Finance) for the planning and administration of international corporate tax matters, with particular reference to the United Kingdom, United States, Germany, Australia and Canada. The successful candidate will have gained considerable experience in this field and some experience of insurance company taxation would be an advantage.

Initial salary is negotiable according to the background and experience of the individual appointed but will not be less than £20,000 p.a. The package of benefits offered will reflect the seniority of this position and full relocation - including a concessional staff housing loan - is available if required.

Candidates should write, enclosing full curriculum vitae, in the first instance to:-  
 M. K. Paisley, Personnel Officer,  
 Guardian Royal Exchange Assurance plc,  
 Royal Exchange, London EC3V 3LS.

## Hoggett Bowers

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### Financial Director

Wiltshire/Hampshire area,  
 £ negotiable + profit share + car

Arising out of the merger of two companies and the re-organisation of their respective accountancy departments, this newly created position calls for an experienced, well rounded accountant who is used to being totally involved in a business. Part of an international Group, the company produces a range of engineered products with an annual turnover approaching £7M, a major proportion for export markets. As a member of a highly committed management team, responsibilities will be for controlling all accounting routines and in particular the development of cost and management accounting systems. Candidates, 35-45, should be well experienced in engineering, have a working knowledge of minicomputer systems and ideally have been associated with an export orientated company. Assistance with relocation will be given.

C. Soble, Ref: 29565/FT. Male or female candidates should telephone in confidence for a Personal History Form 061-236 8981, Sun Life House, 3 Chorlton Street, MANCHESTER, M1 4HE.

## FINANCE DIRECTOR

A Finance Director, responsible to the Chief Executive, is required, arising from the retirement of the present incumbent in October, 1984, to join the main board of

**EAST MIDLAND ALLIED PRESS** plc an expanding publishing and printing group with an impressive record of achievement and a turnover in excess of £60 million per annum. Candidates for this appointment will be expected to demonstrate entrepreneurial flair, business acumen and a capacity to assist group executives in the further expansion of the business. They will probably be qualified accountants or M.B.A.s with treasury experience in the age range 35 to 45, who have had some two years' post-qualification experience in a variety of industrial/commercial posts. The successful candidate will be required to manage a professional team in maintaining the highest standards in accounting and secretarial practice. The post is located to Peterborough and attractive salary and benefits will be offered. Candidates, men or women, should write in complete confidence to P. J. D. Cooke at

**COOKE MANAGEMENT CONSULTANTS**  
 18-20 Brincliffe Crescent, Sheffield S11 9AW  
 who are advising EMAP with this appointment.

## Internal Auditor

France c.£17,000

Our client, an expanding US multi-national, is involved in Aerospace, Electronics, Material handling and the Automotive and Machine Tool industry with sales currently at \$2 Billion a year.

A young, ambitious qualified Accountant with a sound knowledge of French (assistance could be provided to achieve fluency) is now required to join the European Audit Team, based in the UK. Work will be principally in France but opportunities will arise from time to time for assignments in Germany, Holland, Italy and the UK.

Responsibilities will be to carry out internal audits in accordance with company policy and prepare written reports with the minimum supervision. You will be required to spend 60% of the year travelling, but will be able to travel home each weekend.

Prospects to line management are excellent for those showing initiative and flair with the dedication to making this position a success.

Please telephone, or write briefly for personal history form quoting ref: BB4784, to Andrew Fowler, Regional Manager



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 2 Eton Court, Eton, Windsor, Berkshire.  
 Telephone: (07535) 54256 (out of hours (0494) 881384).

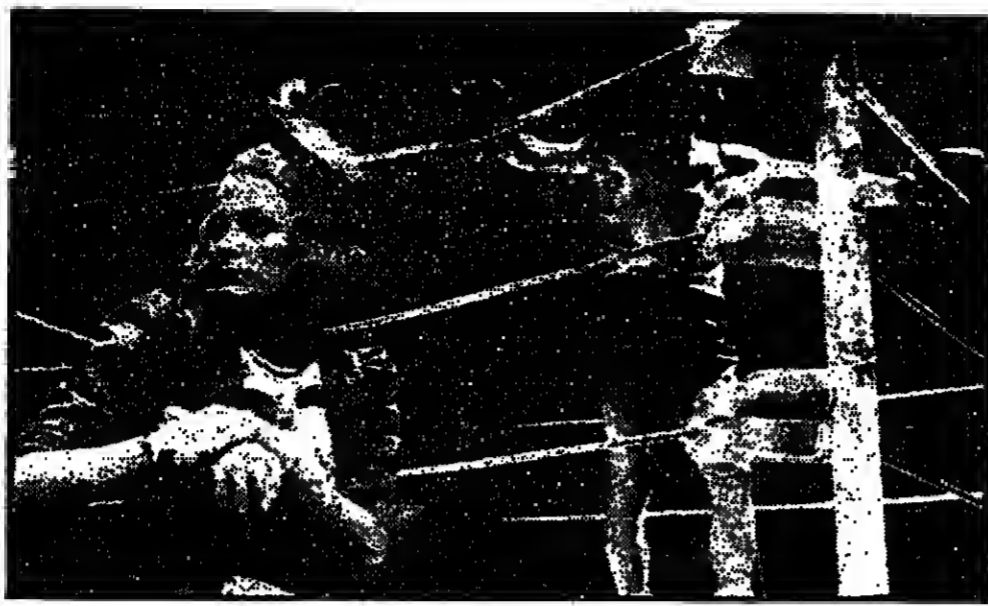


THE ARTS

Golden Boy/Lyttelton

Michael Coveney

It is interesting that Bill Brydon's National Theatre company visited the Gasping Town...



Lisa Eichhorn

his father visits the dressing room. He had packed away the present of a valuable violin...

Opera Factory/South Hill Park, Bracknell

Max Loppert

Two of the strongest forces for innovation and renewal on the musical scene have come together to provide a season of music theatre...

English gardens and foreign fields

Delius: a life in letters, 1862-1908, by Lionel Carley...

Even for those who dislike or are indifferent to his music, Delius is interesting for his many links with cosmopolitan artistic life...

ability. Language had something to do with this. He wrote in English, German, French and Norwegian...

dismal conditions of provincial orchestras. Delius had strong and special gifts as a composer...

Ronald Crichton reviews the letters of Delius, a most English composer who spent most of his life abroad.

Rhine before the 1914 war. Lionel Carley is honorary archivist to the Delius Trust...

not know German well enough" to tackle the translation of the Koompa libretto without her help...

When Bell Telephones sent over their advanced scrambler machine, SIGSALY, it had to be housed in the basement at Selridge...

Underground where the war was won

"Where were you on D Day?" queried the evening paper stands as I set off for the Cabinet War Rooms...

Nevertheless, to ensure absolute safety, the complex was further strengthened, in 1940-41, by the insertion of a three-foot thick reinforced concrete slab above the basement...

ing weather conditions above ground every time there was an air raid must have been essential to the working of the operation as the precision, split-second timing of the basement...

that when Bell Telephones sent over their advanced scrambler machine, SIGSALY, it had to be housed in the basement at Selridge...

Gillian Darley visits the Cabinet War Rooms, now open to the public, and is much impressed.

shobic place in which to work and one can imagine a kind of domesticity mingling with the paraphernalia of war...

100 meetings here, from May 1940 until May 1945, but the rooms set aside for Churchill, Ismay and Bridges were used to varying degrees...

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

Exhibitions

LONDON The Tate Gallery: The Pre-Raphaelites. The extraordinary revival of interest of Victorian art in recent years...

of Rodin's pupil who, through her realism and, later on, a sense of the theatrical, found her own way...

Hopper and Arshile Gorky. Starting with a watercolor, Indians Dancing Around a Pole, from 1985, the show covers the gamut of genres...

Prague artist now living in Düsseldorf, is showing his imaginative, colourful canvas narratives based on trivial, sometimes even sly motifs...

(Weltadslonfonie) has 150 works by fifty artists illustrating the development of Berlin realism between 1900 and 1950...

FRANCO-ITALIAN ALLIANCE. Credit Communal Passage 44 until June. Art and Sport: 200 paintings, sculptures, drawing and photographs...

ROME: Accademia di Francia (Villa Medici). In 1884 Claude Debussy won the coveted Prix de Rome...

sis proving the existence of "homo erectus". Until July 15. Milan: La Rotonda. Delightful exhibition of over 1,500 toys dating from 1750 to 1960...

PARIS Camille Claudel: 70 sculptures accompanied by paintings, drawings and engravings prove the individuality...

BRUSSELS Treasures for the Table: Gold and silverware, porcelain and glass from Vienna, Paris and Brussels...

VIENNA The Cliche and the reality of Viennese women in their fight for emancipation at the turn of the century...

WEST GERMANY Essen. Villa Huegel: the former residence of the Krupp family...

VIENNA The Cliche and the reality of Viennese women in their fight for emancipation at the turn of the century...

BRUSSELS Treasures for the Table: Gold and silverware, porcelain and glass from Vienna, Paris and Brussels...

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VIENNA The Cliche and the reality of Viennese women in their fight for emancipation at the turn of the century...

NUCLEAR POWER

France gambles on the 1990s

By David Marsh in Paris

Arabs police Gulf waters

THE industrialised countries, and the U.S. in particular, have so far produced a measure of response to the long-feared widening of the Gulf war to include the shipping in the area.

Joint demarche

There appears to be reasonable hope that the safety net of Western action to keep the Gulf open to shipping will not be needed.

The Bank's role in the City

OVER THE past 12 months or so, the role of the Bank of England has changed considerably.

Despite these reservations, the Governor's speech yesterday deserved at least two cheers.

Reservations In many respects, this shift of emphasis has advantages.

There must also be reservations about these changes in the balance of power.

WEIGHED DOWN by disproportionate nuclear programme, heavily indebted abroad, embroiled in a disastrous commercial policy.

The nuclear programme is profitable enough to support our debt charges without difficulty.

By maintaining the broad thrust of its nuclear programme at a time when falling energy demand, increased costs, safety worries and ecologist movements have severely hit atomic power development in other countries.

General sanctions against Iran are best avoided: they will only increase the sense of national isolation in which the Islamic Republic appears to be locked.

The problem, however, is that nuclear energy production may be growing too fast.

Fraser rubs in the message

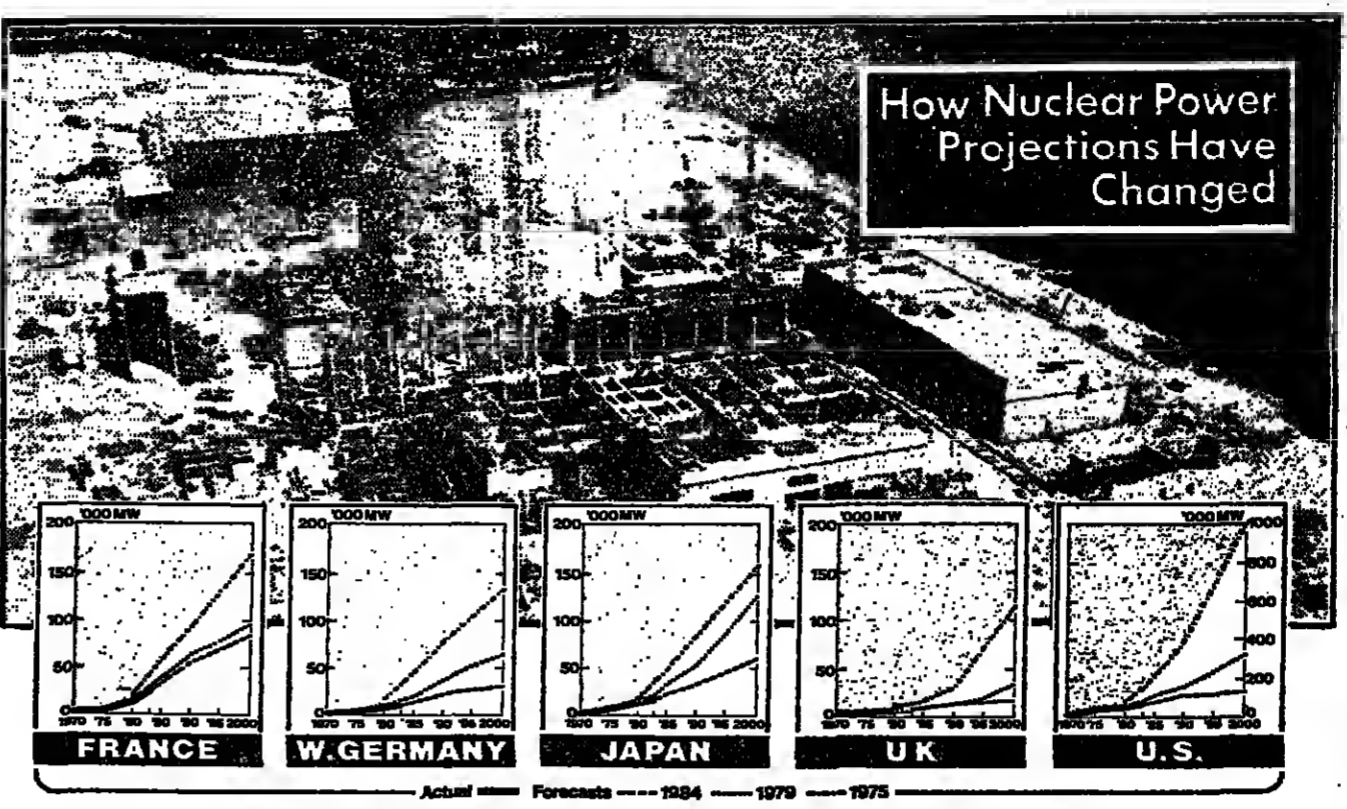
Sir Campbell Fraser, retiring president of the Confederation of British Industry, did not mince his words at the confederation dinner in London last night when reviewing the European Economic Community.

Jumbo bank job

An unusual appointment in the banking world has been made by the World Bank in Washington.

Serene links

In this turbulent world it is pleasant to report an international friendship, indeed a political axis, between the Liechtensteins, tucked away in the Alps, and the Costa Ricans, amid the forests and volcanoes of Central America.



THE BIG PUSH TOWARDS INDEPENDENCE

THE STEADY progress of the nuclear programme has enabled France to leap to the forefront of international atomic power.

More than 90 plants are under construction, previewed or nearly operational—including six plants of total capacity 6,000 MW planned to come on stream during the rest of this year.

Although work on some sites has been extended by a year or so, France has experienced none of the authorisation hold-ups and cost overruns which have severely delayed nuclear plants around Europe.

EdF reckons that its nuclear generating costs are around 30 per cent less than in coal stations and half as much as in oil-fired plants.

My palace informant is unwilling to comment upon the workload of a Costa Rican consul in Liechtenstein, apart from saying "I know he'll be running around next month."

Flying Imperial

Current moves by the British Government to bring down European air fares to something below piratical levels struck a chord when I was sent a 1986 brochure of Imperial Airways services between Croydon Aerodrome and the Continent.

Tour de France

The D-Day celebration industry is moving into top gear. Townsend-Thoresen has launched a series of mini-trips to the battle zone.

Men and Matters

The difficulty is that in areas where elephant herds are allowed to roam freely hank-backed projects to increase agricultural output or develop forestry resources often end up as a free lunch for the elephants.

High cards

While ordinary mortals have to struggle along with cheque guarantee cards specifying a £50 limit, clients of the London-based United Bank of Kuwait will have no problems about finding themselves short of the ready.

Alberto Monje of Costa Rica

The portly social democrat Monje will be giving thanks for the foreign aid effort that Liechtenstein has devoted to Costa Rica, where it has financed a chain of 13 radio stations to help with a national literacy programme.

Mrs Thatcher was commenting on the remarkable success of a company which was expanding into its own 100,000 sq. ft. factory in Peterborough.

Hundreds of companies have moved to Peterborough and nearly all have experienced an upturn in output, productivity and profit.

"I wish it could be repeated a thousand times across the country"

Prime Minister Margaret Thatcher The location helps. Next to the A1, near the efficient east coast ports. And only 50 minutes from London by train.

the Peterborough Effect It works for people. As well as business.





ECONOMIC VIEWPOINT

Problems of last resort lenders

By Samuel Brittan



Walter Bagehot and the Continental Illinois building.

MEMBERS of the Open Market Committee of the U.S. Federal Reserve faced an unenviable choice this week. Most of the indicators of the domestic economy point towards continued tightness and rising interest rates.

On the other hand, the troubles of Continental Illinois have led the Fed to perform its other most important role, that of "lender of last resort."

Accordingly, the Fed opened its discount window and gave assurances that it would lend freely to arrest any threat to the eighth largest bank in the U.S.

One cannot rule out the possibility of solvency crises

the exact problems facing Continental. But the immediate situation faced by Continental was again one characterised by Bagehot: "Every banker knows that if he has to prove that he is worthy of credit, however good may be his arguments, in fact his credit is gone."

The apparent conflict between centralisation and "lender of last resort" arises because the latter operation works through pumping reserves, in the shape of deposits with the Fed, into the banking system.

So far the Fed has had to deal only with the liquidity problems of a major bank. But

one cannot rule out the possibility of solvency crises at some future occasion. These arise when the amount of bad debts which have to be written off exceed the equity capital of the bank in question and there could be several of these. In that case, the injection of permanent new capital by other banks, the central bank, or even in the last resort, national governments might be necessary.

There is in fact no necessary conflict between lender of last resort operations as such and sound money. The conflict is rather between sound money and the policies the Fed might be tempted to follow to reduce the chances of its having to undertake lender of last resort functions on a heroic scale.

Such functions have not been required on other than a small scale since the collapse of the Creditanstalt in Austria and of the major U.S. bank crashes in the early 1930s—a test which the Fed and some other central banks originally failed to meet.

A rise in "high powered" or "base" money (cash plus bank deposits at the Fed) is not inflationary if there is a large increase in public or bank demand for liquid assets. Between 1929 and 1933 the stock of high-powered money in the U.S. rose but the money supply (cash plus bank deposits) fell catastrophically.

Even a large expansion of the money stock itself need not be inflationary in a deep depression when the velocity of circulation falls sharply. It fell for instance by 35 per cent between 1929 and 1932. Again

the proviso is that the money is retired quickly when velocity returns to normal. At this point, however, we must remind ourselves that the U.S. is not in a recession but is in a strong boom, which is attracting in places against the limits of productive capacity. It is, moreover, a boom accompanied by a large fiscal deficit and increasingly inflationary expectations.

Because of the floating rate nature of most idle and much business debt, inflation will not even be a good expedient for dealing with the debt problem. Any reduction in short-term interest rates purchased by inflation will be very temporary in duration.

According to Henry Kaufman, the most closely watched U.S. monetary aggregate, M1, is likely to be near the top end of its target range by the end of the month, M2 at the mid-point and M3 and the credit aggregates well above the top end. Thus there is no domestic demand management reason whatever for holding interest

rates down. Quite the reverse. Or, as one close observer said to me this week: "We will not make the same mistake as in the 1930s, but different ones. We won't have a deflationary depression, but an inflationary one—although what that means I have still to work out."

On the other hand, the budgetary correction will not come about through any amount of foreign lecturing, and it serves limited purposes for European leaders to pound the table on this subject. The deficit will be reduced when the unpopularity of high interest rates, an uncompetitive overseas sector and the perceived adverse implications for debt and banking stability exceed the support of spending cuts and tax increases.

It is by now a platitude to say that the only satisfactory way to ease the conflict between counter-inflationary policy and the undesirable effects of high interest rates is by slashing the U.S. Budget deficit. Even that

may not be enough in view of financial deregulation which has pushed up market rates independently. A successful attack on high nominal interest rates would now need not only tax increases and spending cuts, but a withdrawal of interest relief for many categories of borrowers now tax-exempt; and some international co-operation in phasing out tax concessions would be helpful.

A formula gaining currency in the U.S. is "One-one-one." This means that Budget economies should be divided equally between cuts in military spending, cuts in civilian spending and increases in taxes. The down payment now going through Congress is likely to do very little in the fiscal year beginning this autumn, but could cut the deficit by 1 per cent of GNP three years from now.

Some people hope that another such batch of measures in 1985 will finally do the trick. But I rather doubt it. On a budget has got so far out of control as the U.S. one, gradualist correction is rarely possible: on it if the administration and Congress really get the wind up we may see drastic European-type budget cuts which will have to be made irrespective of whether the U.S. is in a boom or slump at the time.

Whether European countries, which may combine sound money with political and social market-doubt, fossilised labour market institutions, and an ingrained pessimism about the future, are in a position to assume the responsibilities of a hard currency bloc is another matter.

issue from Western governments, it may be no bad thing if the initiative does pass for instance, to the more moderate Latin America? Governments. If these impose a ceiling on annual interest payments, but without default, at least the banks will know where they are. They may no longer be able to continue the fiction of courting their idle loans at face value; but they will be known to have some value and a market could develop in idle loans.

Such a market could facilitate a suggestion of Prof. Michael Lipton's that last resort lending to banks should take the form not merely of short-term loans and discounts, but purchase of sovereign debt at a discount, thus fulfilling Bagehot's original idea of lending on good collateral on onerous terms (the penalty being the discount on the face value of the loan).

I am optimistic enough to believe that there are enough common interests in lender and borrower countries to avoid an international monetary collapse and even to allow economic recovery to continue. But I do not expect to see a "soft landing." In particular because of the practical difficulty of last resort lending and the lack of development of the theory since

Freedom must be regained for U.S. monetary policy

Bagehot, I would expect the Fed to be more hesitant about letting interest rates rise than the banking problems. The U.S. is likely to emerge with an inflation rate above its recent past, and above that of the sound money countries of Europe — West Germany, Switzerland, Austria, the Netherlands and Britain — most of which have nominal interest rates well below American ones.

Whether European countries, which may combine sound money with political and social market-doubt, fossilised labour market institutions, and an ingrained pessimism about the future, are in a position to assume the responsibilities of a hard currency bloc is another matter.

Lombard

The succession to Mr Prior

By Malcolm Rutherford

SHORTLY before she became Prime Minister, Mrs Thatcher said in a famous interview with The Observer: "There are two ways of making a Cabinet. One way is to have in it people who represent all the different viewpoints within the party, within the broad philosophy. The other way is to have in it only the people who want to go in the direction in which every instinct tells me we have to go..."

Her first Cabinet belied her. It was almost the team inherited from Mr Heath. Yet one by one, or head by head, she got her way: Sir John-Stevens, Gilmour, Soames, Carrington and Fynn were all gone. Now there is Mr Prior.

He has always been a special case. He only seems "wet" because he is so thoroughly amiable. As a member of the Health administration of the early 1970s he was one of the first political proponents of the virtues of the newly discovered monetarism. His differences with Mrs Thatcher have been of temperament and style, not policy. They just don't get on.

Sympathy

This week ought to have brought the parting of the ways Mr Prior has said publicly what he has been saying for some months in private: namely that he has been Secretary of State for Northern Ireland long enough and the time has come for him to resign or be sacked.

He deserves some sympathy. The task is physically exhausting, frightening and he did not much want it in the first place. He has done it very well under the circumstances. Yet Mrs Thatcher should accept the opportunity offered and remove him as soon as possible.

There is no prospect whatsoever of an Irish settlement unless the Prime Minister places her full personal authority behind the search for it. The report of the New Ireland Forum earlier this month offers the possibility of an opening in that the constitutional nationalist parties in Ireland have admitted that

helps of Irish unity must be deferred. Mr Prior knows that Mrs Thatcher must be aware of it. Yet what everyone involved also knows is that the chances of the pair of them working harmoniously together over the long haul are remote, even if the Prime Minister does decide to put the Irish question high on the political agenda.

Mr Prior made another telling point. It would be entirely understandable, he said, if Mrs Thatcher wanted to bring in a "fresh mind." Anyone who has done nearly three years in that job, as Mr Prior has, is bound to be jaded.

History

There is only one serious candidate: Mr Michael Heseltine, the Secretary of State for Defence. He has a fair for dealing with desperate situations: witness his approach to Merseyside after the Toxteth riots. It is said that he does not read, but he has a remarkable ability to absorb information and to take the history into account. He gave an outstanding lecture to the International Institute for Strategic Studies the other day on "Russia in Perspective," Peter the Great and all. Ireland, too, has a history that needs grasping.

Mrs Thatcher could appoint him to Stormont quite easily without much disturbing the balance of her Cabinet. He could be succeeded at Defence by Mr Peter Walker, the Secretary of State for Energy, who would have liked the job in the first place. Mr Walker is a "wet" on economic policy, but a hawk on defence. He is at least the equal of Mr Heseltine in administration.

Any one of a crop of promising junior ministers could then take over at Energy: Mr Kenneth Clarke, Mr Norman Lamont or Mr John Moore, for example. The questions remain whether Mrs Thatcher wants to take Ireland seriously and whether she can bring herself to remove Mr Prior, even when he has virtually offered to go. Not the most decisive Prime Minister.

Dealing with the debt crisis

From the Managing Director, IBCA Banking Analysis

Sir,—Although Continental Illinois is a troubled bank, it appears that the ratios were adequate, but it was unable to deal with a progressive lack of confidence on the part of the depositors. The collapse of such a major bank must add to the concern that, with short-term interest rates currently rising, confidence in the world's banking system and its ability to deal with less developed countries' debt might erode in a similar way.

In recent weeks you have published a number of articles and letters on how the problem might be solved including Nicholas Colchester's idea of IMF support and David Potter's letter suggesting unilateral reduction in interest rates. Nicholas Colchester's suggestion would certainly be of benefit to both borrowers and, in the longer term, to lenders, and in a logical world would be swiftly adopted. David Potter's idea is harder to grasp but is clearly motivated by the desire for lower interest rates which are, indeed, crucial.

Unfortunately, I believe there is very little likelihood of any other schemes will be adopted, unless the situation gets considerably more serious. The commercial banks have little sympathy for suggestions of interest capping, or any similar plans presently being aired, as these would involve them with immediate losses and no clear long-term benefit. The government agencies and international institutions, who are far better placed than banks to come up with a solution, have not got the political authority to decide where aid should be given and who would absorb the losses associated with such aid. There is the possibility that conditions may improve but if they do not the fear is that we shall have to wait until the crisis worsens to the point where seeking a solution becomes unavoidable. Robin Munro-Davies, 2, Eldon Street, EC2.

House of Fraser and Lornho

From Mr P. Spicer

Sir,—You state (May 21) that the House of Fraser Board is anxious to receive the Department of Trade and Industry Report on the investigation being conducted by John Griffiths QC into possible concert buying of Fraser shares. We would like to point out that prior to putting the resolutions to the House of Fraser Board, Lornho received an assurance from Mr Griffiths that it was absolutely no part of its function whatever to influence in

Letters to the Editor

any way any action that shareholders want to take, i.e. putting down the resolutions, or anything else. He undertook to tell both House of Fraser and Lornho the same thing.

The reason for our writing to you is that your paragraph, when read as a whole rather than in the context of the issue of the Griffiths report is being prejudiced.

In the same article you make the statement that Lornho is attempting to pack the Board of House of Fraser with directors who represent Lornho's interests. This is also an inadequate statement. Only six of the proposed directors out of a proposed board of 25 represent Lornho's interests, and suggest otherwise would be insulting to the people in question who have an independent standing either with the companies they now serve, or in their particular area of commercial expertise. Pat Spicer, Lornho, 135, Cheapside, EC2.

The City heliport

From the Chairman, Westobis

Sir,—To close the City heliport now that it has become a hub of life for so many large corporations and private individuals who have to maintain direct links to the City of London would be tragic.

Muddled thinking in policy towards small firms

From Mr P. Wilson

Sir,—The enterprise allowance scheme (May 8) is a good example of the muddled thinking that characterises government policy towards small firms. Introduced ostensibly to help the unemployed into an income earning activity by reducing the entry barriers associated with inadequate capital, the scheme has a number of inconsistencies. The possibility of legitimising informal sector activity remains submerged because of high entry barriers. This is faulty logic. The informal sector survives because of low overheads. There is a clear economic calculus behind the decision to remain formal and no amount of short-term financial incentive will prise the sensible underground entrepreneur from his advantageous cost position. Another salient feature of informal sector activity is that it is often the preferred modus

operendi for non-economic reasons. Either the activity would not survive in the formal sector (for legal or moral reasons) or the entrepreneur himself would not (for behavioural reasons). The net effect of trying to formalise underground activities is limited to those people who feel that the taxed allowance outweighs any financial gain derived from being underground. Bearing in mind the small sum involved, the numbers must be small indeed which further suggests that any widening of the fiscal base would also be minimal.

Suppose that the largest number starts under the scheme is in new activity (not previously underground). This is where the real benefit lies. Suppose further that of 30,000 births generated by the scheme (the target), 25,000 are new activities. This represents an increase in new firm formation of

Change on the Exchange

From Mr H. Norris

Sir,—It is interesting to read of the concern of Stock Exchange members as to the possibility of brokers becoming principals in deals. There must be many laymen and modest investors like myself who are perplexed and indeed apprehensive about this strange threatened development. I have always felt the British system to be superior to others in that the broker is one's agent acting in one's interests—it is com-

Staying on stream

From Mr J. Talbot

Sir,—Many years ago walking down Old Broad Street with Horace Noble, I suggested to him that if ever Datastream got too big for Hoare Govett I and my colleagues would be delighted to help them out. We kept in touch on this basis for a year or two until the time came early in 1976. By now in Touche Renmant we were joined by a technical partner in the shape of Data-Solve, a subsidiary of British Oxygen and then went ahead with Lazard's in putting

mon to tell him to do the best he can do on his own right. Once he deals in his own right the whole relationship changes. I can well understand the City's worries about the impact on different firms—perhaps especially the smaller ones and the provincial firms—but my concern is as an employer of brokers. What on earth is prompting this change? It has no discoverable relationship to flexibility in commission rates. The chairman is suggesting having a rough ride in putting the idea over. We members of the public do not appear to have been given any reasons whatever.

H. Norris, The Reform Club, Poul Mill, SW1.

Pension funds and fiscal neutrality

From Mr D. Townley

Sir,—I would like to take up the theme of recent correspondence with particular regard to Mrs Thatcher's comments in the House on May 10 relating to pension funds and fiscal neutrality.

To my mind, pension funds already experience such neutrality (tax relief on contributions and fund investments, retirement pensions being taxable) apart, that is, from the option to commute pension in exchange for a tax free cash lump sum. Clearly this option is contrary to current Government thinking.

If this supposed anomaly is to be removed, will such action apply only to pension arrangements which commence after some future date or will it apply retrospectively to affect all potential pensioners? The Prime Minister indicated that fiscal neutrality and tax reliefs can be accommodated together.

I know people who are approaching retirement and to whom utilisation of the commutation option will form an important part of their post retirement financial wellbeing. Surely the public and the pensions industry deserve early clarification of the Government's intentions? Or it is that an alternative approach is in mind—a tax on pension fund investments? Retention of the tax free commutation option could perhaps be justified if say a 5-10 per cent rate of tax was levied on future pension fund investment income. Must the uncertainty continue until the Chancellor's spring 1985 Budget? Douglas J. Townley, 70A, Lee Lane, Horwich, Bolton, Greater Manchester.

together a group of like-minded British investors.

From those very early conversations it was always the intention to keep the ownership in British hands, so that the City of London & Change Alley's depth financial analysis should be provided by a British organisation whose inventive genius in this area was and is unique and unsurpassed.

A very much better deal than the offer currently will reveal that, in addition to taking their money (which may well not represent the enormous value of Datastream's data banks), the present institutions shareholders have arranged that the company's many services cannot be switched off at the whim of an overseas company or its creditors operating out of New York. J. R. Talbot, Church Farm House, Botton Street, Winchester, Hants.

Staying on stream

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Two up, three across, one down Mobil advertisement with large vertical text and Mobil logo.

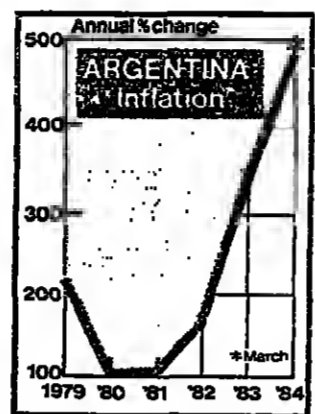
Jimmy Burns in Buenos Aires examines Argentina's deepening political dilemma

Alfonsin's dangerous balancing act

EVER SINCE the armed forces first overturned a democratically-elected government in Argentina in 1930, the failure of the civilian politicians to agree has contributed as much to the continued instability in the country as the ambitions of the military.

on rescheduling its \$43.6bn foreign debt convey a sense of urgency. The Government also believes that it can make no further concessions on the Beagle Channel or the Falkland Islands disputes without ensuring broad national approval. The upper house is constitutionally empowered to block any major initiative on foreign policy.

Within 48 hours of her arrival this week she had managed to test the loyalties of her party's national council by visibly surrounding herself with a clique of close friends during the first stage of talks with Sr Alfonsin.



should be guaranteed positions on all branch committees. Instead, union elections are to be conducted within the next 90 days according to the statutes and during the last Peronist government.

linked with the Peronist Party. Sr Alfonsin is thus hoping to ensure a measure of stability on the shop floor and greater co-operation in parliament from the main opposition party.

In addition to this compromise formula the main trade union organisation, the General Confederation of Labour, will be given back a large part of its control of welfare services, a tradition broken by the military regime and offered greater participation in the formulation of economic policy.

The Government has promised an overhaul of salary structures, the cost of living index, and a reform of the financial and taxation system as a way of promoting social justice in return for increased productivity.

Looking in the background is the May deadline. Only when agreement is reached with the International Monetary Fund will the U.S. Treasury reimburse Brazil, Colombia, Mexico and Venezuela for the \$300m that they loaned to Argentina as part of last March's rescue package.

U.S. finds Japan in agreement over yen

By Alan Friedman in Rome THE U.S. and Japan yesterday produced a draft agreement on the liberalisation of the Japanese capital market and on expanding the international role of the yen.

Latin American ministers set to outline debt servicing demands

BY OUR FOREIGN STAFF LATIN AMERICAN foreign and finance ministers, who are due to meet in June if U.S. banks are not to have to declare some Argentine loans non-performing. That deadline is concentrating everyone's mind.

Renault losses rise to FF1.5bn

By David Housego in Paris RENAULT, the French state-owned motor group, suffered heavier losses last year and now does not expect to return to profit for another 18 months to two years.

Europe to trail in recovery

By Philip Stephens in London THE WORLD'S industrialised countries should achieve 4 per cent economic growth this year, but Western Europe will lag far behind North America and Japan, Britain's National Institute for Economic and Social Research says today.

Catalan president to face fraud charges

BY TOM BURNS IN MADRID SPAIN'S Attorney General yesterday ordered the prosecution of Sr Jordi Pujol, the president of the Catalan autonomous government, and of 24 other former executives of Banca Catalana on charges of embezzlement and falsifying bank documents.

Conti Illinois cuts borrowings

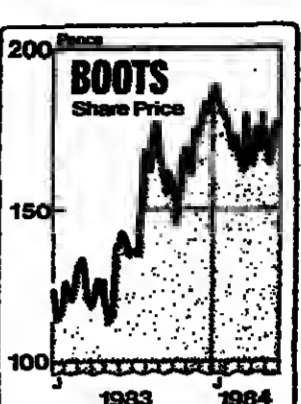
Continued from Page 1 Commenting for the first time on the bank's funding abilities since the rescue package was announced, Mr David Taylor, the chairman and chief executive of Continental, said yesterday that the bank's funding in the money markets had "already increased noticeably in Asia, particularly in Japan, where banks were returning to Continental."

World Weather table with columns for location, temperature, and other weather-related data.

THE LEX COLUMN

Strong stuff from Bass

The Chancellor's prediction that almost the whole of the 1984/5 PSBR would be concentrated in the first half of the year will probably be viewed with some scepticism by the gilt-edged market after all the recent disappointments on that front.



Enstar's U.S. assets are valued in the books at a gross net present value of \$300m. Half of that would give Ultramar a solid base from which to develop exploration acreage in the U.S.

It is positively sobering to contemplate how much money the big brewers must have been pouring down their sluices before all the rationalisation of recent years, to judge from the profits now on parade.

This plus its assorted retailing and hotel interests might absorb £180m or so of this year's £224m capital budget, but the cash flow looks strong enough to cope, leaving management still with a tidy net cash position to build up the leisure side through acquisitions.

The Boots share price has been suffering slightly from altitude sickness ever since the markets realised that pharmaceuticals were having a difficult second half.

Ultramar

The stock market has never been able to make up its mind about Ultramar's Indonesian interests. While there is no doubt that the company's fortunes have been built on the bedrock of Indonesian cash fields, these assets have consistently been treated with some caution by the market.

Boots

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SECTION II - INTERNATIONAL COMPANIES

**FINANCIAL TIMES**

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**Sharp drop in earnings for Firestone in quarter**

BY WILLIAM HALL IN NEW YORK

**FIRESTONE** Tire and Rubber, the world's second biggest tyre maker, has reported a sharp drop in its second quarter net income despite the buoyant demand from the North American car industry, which takes a large part of its output.

The group's income from continuing operations in the three months ended April 30 fell from \$22m to \$11m primarily because of a \$36m rise in operating expenses, most of which related to the acquisition of more than 300 former J. C. Penney service centres and other retail outlets.

The group's North American tyre operations, which account for over half group sales, reported a more than two-thirds drop in operating income to \$10m in the latest quarter. The company blames increased staffing and occupancy costs for the sharp fall in profits.

The company says that essentially all of the increased tyre production in North America went to satisfy substantially higher original equipment demand. Consequently, replacement tyre market sales were

unchanged. Firestone says it is increasing production further, cutting private brand sales and increasing outside purchases.

The group's international tyre operations increased their second quarter contribution by 36 per cent to \$30m, primarily as a result of improved performance in the Liberian plantations and the Latin American operations.

Firestone's net income in the latest quarter, including extraordinary credits and discontinued operations, fell 38 per cent to \$16m or 33 cents a share. Sales in the latest quarter were up 18 per cent at \$988m and in the first half of the financial year are up 14 per cent at \$1.9n.

At the same time Firestone is to invest Pta 11bn (\$71.8m) over the next five years in Firestone Hispania following its decision last week to increase its stake in the Spanish company from 26 per cent to 49 per cent.

The investment plan will rationalise and modernise Firestone Hispania's plants in Basauri

near Bilbao, in Burgos and in Torrelavega, near Santander, and will boost production capacity.

The investment plan will make Firestone Hispania one of the main tyre manufacturers in Europe.

The U.S. company had guaranteed that exports would be doubled to some \$70m annually over the next five years, according to an official.

Under the rationalising plan the main plant at Basauri will be devoted solely to large heavy load tyres, the plant at Burgos will produce conventional car tyres and the Torrelavega plant will manufacture light truck and tractor tyres.

The increased stake will be the result of buying up privately owned shares through a public tender offer in July and a new issue of common shares.

The U.S. company, which already sent in key senior personnel to the Basauri headquarters, aims ultimately to fully own Firestone Hispania. The major shareholders in the Spanish company are a group of Spanish banks which are reportedly determined to keep their equity,

**Ford do Brasil plunges into red**

By Andrew Whitley in Rio de Janeiro

**FORD DO BRASIL**, the last of the multinational vehicle manufacturers in Brazil to declare its 1983 results, has reported a net loss for the year of almost \$30m, compared with a profit of \$35.5m in 1982.

Ford's loss brought the accumulated loss of the six major manufacturers - Volkswagen, General Motors, Ford, Fiat, Mercedes Benz and Saab Scania - to the equivalent of \$117m, one of the worst years in the past decade for the industry. Only Mercedes Benz recorded a profit.

Mr Robert Gerrity, president of Ford's Brazilian subsidiary, blamed government price controls, high interest rates and the industry's continuing investment programme for his company's poor results.

The outlook for this year has deteriorated for the vehicle manufacturers, with the industry predicting total sales of only 550,000, down from 630,000 in 1983. This is half the record level reached in 1980, before the Brazilian recession took hold.

In the first quarter of this year total vehicle sales were down by nearly 18 per cent on the same period in 1983. Exports, on the other hand, rose in value by 32 per cent to \$317m.

During 1983 Ford do Brasil's gross revenue declined by nearly a quarter from \$1.81bn to \$1.37bn, despite the boost provided by substantially higher exports.

The impact of financial charges on the U.S. company's results deepened, as it did for almost all sections of Brazilian manufacturing industry. Ford's financial charges and taxes rose by a third to \$315m, at the average exchange rate for the year.

Within Brazil, Ford has struggled to hold its share in a declining market, in the face of strong competition from General Motors recently launched Monza model.

Earlier this week FCA had commenced an offer to buy up to 10.48m of its 42.6m outstanding common shares for an unusual issue of subordinated debentures. In exchange for their common stock FCA shareholders are being offered a debt instrument at \$21.50 per share. The new paper, which will be subordinated to all of FCA's senior debt and will mature in 1994, carries a variable rate of between 13 per cent and 20 per cent.

FCA's shares fell from a peak of \$32 1/2 last year to a low of \$13 1/2 earlier this year. They have recovered to \$18 1/2 and FCA believes that its shares are undervalued.

The group filed a debt budget with the FHLB last October covering its planned debt issues for 1984, but the FHLB has said that it must file an additional application relating specifically to the new instrument.

**Norsk Data and Racal form joint venture**

BY RAYMOND SNOODY IN LONDON

**NORSK DATA**, the Norwegian computer company, and Racal, the UK electronics group, have set up a joint venture to produce advanced computer systems designed to develop the use of artificial intelligence.

The venture will bring together the computer expertise of Norsk Data, which has one of the fastest 32-bit mini-computers on the market, with the artificial intelligence aspirations of Racal.

The new company, which will be known as Racal Norsk, will produce a computer system which can be used to develop artificial intelligence applications in defence, engineering, education, petrochemicals and finance.

Research started immediately after an agreement in principle was reached in the new year and the new company, which will be part of

the Racal Data Communications Group, hopes to have its system on the market by the last quarter of this year. Racal will have 51 per cent of the venture.

The company believes it will have the first European produced system which will be suitable for artificial intelligence applications. Artificial intelligence, which many observers believe will be one of the main areas of development in computers over the next 10 years, is the term used to cover all the attempts to produce computers which can take decisions in an "intelligent" way.

Dr David Thomas, director of the intelligence and knowledge based systems section of the Alvey Directorate, which is trying to stimulate research into a new generation of computers, said yesterday: "If their machine is successful it could generate a lot of business." There was a

need for such a delivery system but he warned that competition from the U.S. and Japan would be stiff.

The new product, the Knowledge Processor System, can be developed in less than a year because it brings together technology which already exists separately at Racal and Norsk Data.

Racal has been investigating the potential of artificial intelligence for the past two years. It has a licence from the Massachusetts Institute of Technology to use ZetaLisp, one of the most suitable types of computer language for artificial intelligence. Norsk Data has a computer powerful enough to run it efficiently.

A special computer code is now being written to run ZetaLisp on Norsk Data's top machine, the NK 870.

**Buoyant start for Svenska Cellulosa**

By Kevin Done in Stockholm

**SVENSKA Cellulosa** (SCA), the largest forest products group in the Nordic region, increased its profits by 88 per cent in the first four months of the year, following a jump of 64 per cent in 1983.

Mr Bo Rydin, chief executive, said profits for the whole of 1984 would be "decidedly better" than last year, although it was unlikely that the rate of improvement shown in the first four months could be maintained for a full year.

At the same time SCA announced that it was embarking on its biggest single investment project with the construction of a new SKr 1.14bn (\$142m) newsprint mill, with an annual capacity of 210,000 tonnes, at Ortviken. Investment in the newsprint mill at Ortviken will increase capacity there to 600,000 tonnes a year.

In the first four months of the year SCA increased group turnover by 22 per cent, to SKr 3.38bn from SKr 2.93bn in the corresponding period last year. Profits before extraordinary items, appropriations and taxes jumped to SKr 483m, from SKr 257m.

**Greece needs to raise \$850m**

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT, IN LONDON

**GREECE** still needs to raise \$850m on commercial markets to meet its gross foreign borrowing needs this year, Mr Stratis Pappastathis, counsellor to the governor of the central bank, said yesterday.

Speaking at the signing of a \$400m credit for the Bank of Greece, he said the bulk of the country's remaining needs would be met by three relatively large operations for the National Bank of Greece, Hellenic Telecommunications and the Public Power Corporation.

But there were also likely to be some smaller deals denominated in yen and D-Marks, he added.

Greece, which has a total medium- and long-term debt of between

\$10bn and \$11bn, faces gross foreign borrowing needs in 1984 of some \$1.8bn. About \$400m will be met from official sources such as the European Investment Bank and a further \$550m has already been covered by the credit signed yesterday as well as a \$150m floating rate note.

Eurobonds, Page 50

**Heineken buys into Spanish brewer**

BY WALTER ELLIS IN AMSTERDAM

**HEINEKEN**, the leading Dutch brewing group, yesterday announced the acquisition of a "significant minority interest" in El Aguilá, the largest Spanish brewer.

The transaction, valued at around Fl 100m (\$33m), will take the form of a 50 per cent increase in the

share capital of El Aguilá all of which will be taken up by Heineken.

El Aguilá has about 20 per cent of the Spanish beer market. The company owns two breweries and seven breweries with a total production capacity of around 7.5m hectolitres.

Heineken has been expanding its international business through joint ventures and participations, at an increasing pace in recent years. Heineken recorded a 30 per cent increase in net profits last year to Fl 198m. Consolidated sales rose by 11.7 per cent to Fl 4.7bn.

**Deputy chief at Volvo quits**

By Our Nordic Correspondent

**THE EXECUTIVE** management of Volvo is strengthening its grip on the company with a proposal to increase the number of senior executives on the board.

At the same time the company announced officially that Mr Anders Wall, the Swedish financier, is stepping down as deputy chairman of the group.

Mr Wall's decision not to seek re-election marks the end of a short but eventful association with Volvo and its current chairman, Mr Pehr Gyllenhammar.

Mr Wall came on to the board as chairman in 1981 following Volvo's jumbo merger with Beijerveinvest. His style clashed with that of Mr Gyllenhammar, who took over himself as chairman of the Volvo board last year while maintaining the position of group chief executive.

Volvo said yesterday that shareholders would be asked next week to approve the promotion of Mr Hakon Frisinger, managing director of the Volvo parent company and formerly head of the car division, to a full board member.

**Canadian brewer to step up dividend**

BY BERNARD SIMON IN TORONTO

**CARLING O'KEEFE**, the Canadian brewer controlled by Rothmans of Pall Mall, lifted net earnings to C\$44.8m (U.S.\$42m) or C\$2.40 per share in the year to March 31, from C\$38.1m or C\$1.65 in the previous year. Carling also has substantial oil and gas interests in Canada and the U.S. and owns several well-known football and ice hockey teams in North America.

Sales rose to C\$848.5m from C\$784.2m and the dividend has been raised from 26 cents to 37 cents. According to Carling, earnings from its beer division rose by 15 per cent last year in a stagnant

market. Sales volumes rose by 16 per cent reflecting a four percentage point increase in market share to around 30 per cent.

Carling's brands include Black Label and O'Keefe Ale. The company signed an agreement last year with Miller Brewing of the U.S. to manufacture and sell certain Miller brands in Canada. Carling also has brewing interests in Ireland.

A key reason for the company's recent success in the Canadian beer market is its introduction, through the link with Miller, of long-necked bottles which now account for about 60 per cent of the market.

**First City Financial to buy Charter offshoot**

BY BERNARD SIMON IN TORONTO

**FIRST CITY** Financial, the Vancouver-based financial services company controlled by members of the Belzberg family, is to acquire through an unnamed subsidiary the entire capital of Charter Security Life Insurance, a group of subsidiaries of Charter Company of Jacksonville, Florida, which filed for protection from its creditors under the U.S. bankruptcy code last month.

No details of the transaction have been disclosed. The companies said that agreement on the acquisition was "preliminary", and still required approval from U.S. regulatory authorities.

Parties to the transaction include four European banks holding a security interest in the insurance

companies as collateral for a \$91m debt of Charter. The banks, among them Grindlays of the UK, earlier asked a bankruptcy judge to allow them to sell Charter's insurance interests but agreed not to press the issue to give Charter time to dispose of the companies.

Charter said the proposed link with First City would enable it to continue its insurance operation and to ensure the security of existing policyholders.

Should the takeover be completed, it will mark First City's first investment in the insurance business. The group, with assets of more than C\$31bn (U.S.\$2.3bn), has interests in a wide range of financial services, real estate and investment management.

**FCA delays issue of debentures**

By Our New York Staff

**FINANCIAL CORPORATION** of America (FCA), the biggest U.S. thrift institution, has delayed the issue of a \$225m "reverse adjustable rate subordinated debenture" until it provides more information to the Federal Home Loan Bank Board (FHLB), its primary regulator.

Earlier this week FCA had commenced an offer to buy up to 10.48m of its 42.6m outstanding common shares for an unusual issue of subordinated debentures. In exchange for their common stock FCA shareholders are being offered a debt instrument at \$21.50 per share. The new paper, which will be subordinated to all of FCA's senior debt and will mature in 1994, carries a variable rate of between 13 per cent and 20 per cent.

FCA's shares fell from a peak of \$32 1/2 last year to a low of \$13 1/2 earlier this year. They have recovered to \$18 1/2 and FCA believes that its shares are undervalued.

The group filed a debt budget with the FHLB last October covering its planned debt issues for 1984, but the FHLB has said that it must file an additional application relating specifically to the new instrument.

**Shipping group buys stake in foods co-op**

By Fay Gjester in Oslo

**WILHELMSEN**, Norway's largest shipping group, has agreed to take a 75 per cent stake in Frionor Australia, the Australian marketing subsidiary of Frionor frozen foods co-operative of Norway.

The acquisition, which will be effective from July 1, is expected to boost Norwegian frozen fish exports to this market. It marks Wilhelmsen's first move into trading activity overseas. With its worldwide Barber-Wilhelmsen agencies network, it is well placed to expand from shipping into trading.

In partnership with Wilhelmsen, Frionor foresees a sharp rise in the turnover of its Australian subsidiary - to an estimated Nkr 100m annually, in the first operating year from between Nkr 70m (\$8.8m) and Nkr 80m in 1983. The shipping group has been represented in Australia since 1915 and operates terminals and agencies there. Its Seacarrier Line plies between Europe, New Zealand and Australia.

**Nuclear sale by PS New Hampshire**

By Paul Taylor in New York

**PUBLIC SERVICE** New Hampshire, the financially troubled New England electricity utility, is to sell its 5 per cent interest in a 12-year-old Maine nuclear power plant to a local electricity co-operative for \$57m.

The deal, if approved by regulatory agencies, will allow PS New Hampshire which is the major partner in the disaster-prone Seabrook nuclear power station project, to proceed with a Merrill Lynch plan to finance completion of the first of the Seabrook power plants and avoid a threatened Chapter 11 bankruptcy code filing.

The plan, which has been approved by the Rural Electrification Administration (REA), would allow New Hampshire Electric Co-operative to use some of the previously approved \$5m in REA-guaranteed loans to buy PS New Hampshire's stake in Maine Yankee, an operating nuclear power plant on the Maine coast.

**Shell deadline passes**

BY OUR NEW YORK STAFF

**ROYAL Dutch/Shell's** \$58 per share offer for the 30 per cent minority of Shell Oil, its U.S. subsidiary, expired at 5pm New York City time yesterday, even though its investment adviser, Morgan Stanley, had still not produced its revised verdict on whether the offer price is "fair."

Royal Dutch/Shell announced on May 10 that 64.1m of the 94.67m shares it does not own had already been tendered under the offer, with the result that it now controlled slightly over 90 per cent of Shell Oil.

Since then it has mounted an aggressive publicity campaign to convince the remaining shareholders to tender their shares, even though a U.S. court has raised doubts about the "fairness" of the price, and temporarily blocked the takeover until Royal Dutch provides more information.

Shell Oil has made internal information on its reserves available to Morgan Stanley, and the adviser is required to produce a revised opinion on whether the offer is fair.

**A market which offers new prospects**

IMPA '84 is the first in Europe to present an international cross-section display of the products offered by the postal equipment industry. On an exhibition area of 25,000 sq m, some 250 firms from 16 countries will be showing a wide range of products and services, as well as new techniques and methods for ensuring the swift and efficient transfer of data, information, money and goods.

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  - Technical equipment for post offices and mailing departments in industry and commerce
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  - Equipment for postal banking services
  - Mail vehicles
  - Consultancy and co-operative assistance - particularly for Third World countries
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- Special Show by the Deutsche Bundespost
- Videotext service for visitors
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This announcement appears as a matter of record only.



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(MAGYAR NEMZETI BANK)

**U.S. \$210,000,000**  
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**FIRST CHICAGO**  
The First National Bank of Chicago

April, 1984

INTERNATIONAL COMPANIES and FINANCE

ECO  
SO

N. AMERICAN QUARTERLY RESULTS

ACP INDUSTRIES Tractors, rail equipment		
	1984	1983
Revenue	115.2m	105.6m
Net profit	2.5m	12.2m
Net per share	0.31	1.52
<b>LOSS</b>		
DAYTON HUDSON Diversified retailing		
	1984-03	1983-04
Revenue	1.82m	1.37m
Net profit	24.6m	22.7m
Net per share	0.29	0.24
DRESSER INDUSTRIES Equipment for energy industries		
	1984-04	1983-03
Revenue	292.5m	267.0m
Net profit	22.8m	15.1m
Net per share	0.28	0.13
<b>LOSS</b>		
<b>LOSS</b>		
KAMEN STEEL Steel and steel products		
	1984	1983
Revenue	37.2m	36.2m
Net profit	35.5m	42.0m
Net per share	0.74	0.83
R. H. NACY Department stores		
	1984-02	1983-04
Revenue	2.92m	2.92m
Net profit	61.7m	52.2m
Net per share	1.76	1.58
DACH DEVELOPMENT Property		
	1984-02	1983-04
Revenue	100.0m	146.9m
Net profit	298,000	170.9m
Net per share	0.91	16.22
<b>LOSS</b>		

Veba opens year with 89% rise in profits

By Our Frankfurt Staff

VERBA, the West German energy and industrial concern, has boosted sales and profits in the first quarter of this year.

Sales revenue was 5.5 per cent ahead of a year ago at DM 12.77bn (\$4.6bn), while net profits boomed ahead 89 per cent to DM 1.15bn.

Veba said its higher sales revenue came mainly from increased electricity production, as well as improved business in chemicals and oil.

Revenue from electricity output rose 10.4 per cent to DM 2.9bn, chemical sales were up 12.2 per cent at DM 1.4bn, and revenue from oil, including petrochemicals, was 6.4 per cent ahead at DM 3.5bn.

The company said the extra profits arose partly from increased use of economical nuclear energy, while results from organic chemicals and plastics were also good.

Veba, the country's highest industrial undertaking in terms of sales revenue, has continued to trim its workforce, which was down 1 per cent from the end of last year to 76,429 at the end of March.

The Federal Government reduced its stake in Veba earlier this year from 43.75 per cent to 30 per cent. Veba increased its profit by 9.7 per cent to DM 372m in 1983 despite a 2.3 per cent decline in sales revenue to just under DM 50bn. It paid an unchanged dividend of DM 7.50 per share.

© Allianz Versicherung, the West German insurance group, proposes an unchanged dividend of DM 10 a share for 1983.

The payout will be spread over a larger capital base of DM 500.4 (\$180.4m), compared with DM 417m in 1982. Profits of the group rose by 24 per cent to DM 246m last year against DM 199m in 1982.

Asuag-SSIH to absorb subsidiaries

ASUAG-SSIH, the leading Swiss watch industry company, is to absorb its SSIH branches, and General Watch subsidiaries, John Wicks reports from Zurich. An offer of SwFr 4,000 (US\$1,764) per share of SwFr 500 nominal value has been made to minority shareholders of the branches, the watch movements and components company. They hold some 8 per cent of the Ebanches capital.

Daimler-Benz lifts output and boosts sales

BY JOHN DAVIES IN FRANKFURT

DAIMLER-BENZ, the West German motor vehicle maker, has made a further advance this year, but may have to lower its sights if the labour conflict in the country's metal industries lasts much longer.

Car output in the first four months of this year was 10 per cent ahead of a year ago, as a result of expanded capacity at the plant in Bremen.

Professor Werner Breitschwerdt, the chief executive, said that, before the labour troubles, the company had set a target of well over half a million cars this year.

Last year Daimler-Benz lifted car output by 3.9 per cent to 476,000 and has built up its strained capacity by converting its Bremen works into a second major car factory in addition to Sindelfingen near Stuttgart.

In the first quarter this year, Daimler-Benz increased group

SOURCES OF SALES REVENUE

	1982	1983
West Germany	13.32	15.18
Rest of Europe	7.81	7.72
North America	4.93	8.45
Latin America	2.63	1.85
Asia, Africa		
Australia	0.21	4.81
Total	28.91	40.01

world-wide sales revenue to DM 10bn (\$3.8bn), up 5 per cent on a year earlier, while parent company sales rose 3 per cent to DM 8.2bn.

The group's world-wide sales last year exceeded DM 40bn for the first time, after a rise of 2.8 per cent. Parent company sales showed a 3.4 per cent gain to DM 32.2bn.

Professor Breitschwerdt said that despite world recession, Daimler-Benz had lifted sales by nearly DM 9bn or just short of 30 per cent in the last three years.

Group net profit bounded ahead 7.2 per cent last year to DM 988m, of which the lion's share of DM 633m was put aside to strengthen the company's financial position.

Parent company profit advanced 3.3 per cent to DM 710m, half of which went into reserves. Daimler main-

demand by IG Metall, the metalworkers' union, for a shorter working week.

Some of this was being offset by savings on costs of labour and materials. The company's component suppliers were missing out on about DM 60m a day in sales.

Professor Breitschwerdt, who took over the top management job after the death of Dr Gerhard Prinz late last year, said that the union's demand would mean a loss of competitiveness for the whole West German motor vehicle industry.

While many countries continued to trim their workforces last year, the number of Daimler-Benz employees in West Germany increased for the eighth year in succession to 151,270. The number abroad, however, declined by 3 per cent last year to 33,600.

Before the labour conflict developed, the company had aimed at maintaining commercial vehicle output at about the same level as last year.

Although exports of heavy trucks to some Middle Eastern countries had fallen, he was convinced that the truck market had good potential.

Truck production subsidiaries in Brazil and Argentina had made a profit last year, despite setbacks in output.

But Daimler-Benz executives indicated they still had headaches with bus production in Germany which has fallen from 13,700 in 1974 to 7,960 last year.

Olivetti seeks global role through link with AT & T

BY PAUL BETTS IN PARIS

OLIVETTI SAID yesterday that it will initially concentrate sales of private telephone digital exchange systems manufactured by American Telephone and Telegraph in the British and Italian markets.

The Italian office equipment and information processing group, also said that Olivetti will see its sales to the U.S. double this year to \$600m as a result of its association with AT & T.

AT & T acquired 25 per cent of Olivetti at the end of last year. The association will enable Olivetti to market its office automation and information processing equipment through the vast AT & T network in the U.S. while offering a window on the European market.

At a Press conference outside Paris, Sr Carlo de Benedetti, group chairman, said U.S. sales of about \$250m this year would be boosted by further \$250m in sales of Olivetti equipment to AT & T.

Sr de Benedetti defended his collaboration deal with the U.S. telephone group, explaining that the agreement gave Olivetti the global dimensions necessary to survive and succeed in the turbulent shake-up in the communications and information processing industry.

The alliance with AT & T would transform Olivetti into what he termed "a global competitor."

But the Italian group was continuing to look at acquisition and new industrial alliances to stimulate growth. He suggested

that future deals would not be similar to the "strategic alliance" with AT&T but narrower ventures designed to strengthen Olivetti's position from a marketing standpoint in several specific areas.

Olivetti is in particular interested in venture capital investment. The group has already invested in 30 venture capital companies in the U.S. and five in Europe.

The aim of the agreement with AT&T was to be able to draw from the U.S. market the necessary introduction volume to make Olivetti more competitive in other markets, especially Europe, where it is seeking to be a market leader, said Sr de Benedetti.

He favoured from a political point of view alliances between European manufacturers and was pressing for the adoption of common standards by European electronic equipment makers to strengthen the European market. But he also noted that agreement between European manufacturers was particularly difficult. As a result Olivetti had agreed to collaborate with AT&T because it could not forfeit its future growth and development.

Signor de Benedetti pointed out that out of 200 joint venture agreements by European electronic companies last year 50 per cent involved deals with U.S. concerns, 30 per cent with Japanese companies and only 16 per cent between two European companies.

He also claimed that his joint venture agreement to manufacture an electronic typewriter with CIT-Alcatel, the French state-controlled telecommunications company, was one of the few concrete examples of European collaboration in the electronics sector. The two companies are due to construct an electronic typewriter plant in France.

Olivetti's financial results last year confirmed the basic soundness of its strategy, he said.

During the last five years, sales have increased from nearly L1,833m (\$1.1bn) in 1979 to L3,726m in 1983; net income has increased from L33.5bn to L295.5bn; debts declined from L280bn to L736bn; and shareholders' equity, which totalled a meagre L50bn in 1979, amounted to L1,202bn in 1983.

DG Bank moves ahead

BY OUR FRANKFURT STAFF

DG BANK, the central institution of the West German cooperative banking movement, has further increased its operating earnings this year, although at a slower pace than last year.

The bank said that growth had tapered off to a more "normal" rate, with operating earnings up 9 per cent in the group and up 4 per cent in the parent bank in the first four months of the year.

Herr Helmut Guthardt, the chief executive, said that the margin on interest rate business had held up at about the same level as last year, but was coming under pressure.

DG Bank doubled the group's partial operating profit—consisting of interest rate and commission earnings, minus running costs—to DM 432m (\$157m) last year.

After other earnings and adjustments, including risk provisions, the group had an unchanged net surplus of DM 100m. Of this amount, DM 70m was put into reserves and an unchanged dividend of 5 per cent paid.

In its foreign operations, DG Bank is setting up a merchant bank in Singapore to widen the activities already carried out by its local branch.

Hapag sells part of freight unit

By Our Frankfurt Staff

HAPAG-LLOYD, the West German transport concern, has sold the air and sea freight activities of its Pracht Air Service operation to Jardine Matheson.

The two companies said the move was a further step in already existing co-operation between them in the UK, the U.S. and Asia, and that they would continue to work together.

Other activities of the Pracht operation, including road transport in Europe, remain with the Hapag-Lloyd group.

Capital injection for DnO

BY FAY GJETER IN OSLO

DET NORSKE OLJESELSKAP (DnO) a small, privately owned Norwegian oil company, is to receive a capital injection of Nkr 153.5m (\$19.7m) from two of the country's leading industrial firms—Dyno Industrier and Actiorn (formerly Norsgas).

The two are taking half each, at 175 per cent of par, of a new share issue which will raise DnO's share capital from Nkr 362.3m to Nkr 550m. Both already hold some shares, and their combined stake, after the issue, will be 31 per cent.


DnO recently became the fourth Norwegian company to be allocated shares in Norwegian shelf concessions—the others being Statoil, the state oil company, Norsk Hydro, in which the state holds a controlling stake and the independent Saga Petroleum, backed by a large number of Norwegian industrial, financial and shipping groups.

Although the shares it received were small (1 per cent each in two licences) the allocations commit DnO to quite sizeable expenditure in connection with exploration of the two areas—one in the North Sea and one off northern Norway.

**OTTOMAN BANK**

Notice is hereby given that a DIVIDEND at the rate of £4.50 per Share, voted at the General Meeting of Shareholders, held on 23rd May, 1984, will be PAYABLE on and after 13th June, 1984, in London at 36 Fenchurch Street, E.C.3. The Coupon to be presented is No. 111. The holders of Founders' Shares will receive an amount of £514.40 per whole share payable on the same date and at the same place, against presentation of Coupon No. 54. Coupons must be listed on forms, which can be obtained on application, and left five clear days for examination before payment.

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July 1983

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**CITICORP CAPITAL MARKETS GROUP**



January/April 1984

INTL. COMPANIES & FINANCE APPOINTMENTS

Economic realism casts gloom over South Africa's chemicals makers

BY JIM JONES IN JOHANNESBURG

ONLY FIVE years ago, South Africa's chemicals industry was at the height of its confidence. Each of the major groups was engaged in comprehensive capital expenditure programmes. As far as most of the industry's executives were concerned, heavy capital spending was likely to persist until at least the turn of the century. That enthusiasm has disappeared. These days the industry's managers are adamant that their groups have no capital spending projects planned and that the situation is unlikely to change in the immediate future. Mr David Marlow, the managing director of Sentrachem, the third largest quoted chemicals group, makes no bones about the fact that any new project would need to be highly attractive to encourage him to spend the R100m cash the concern has at the bank earning 19 per cent risk-free.

operate this, that or the other chemicals plant. That helped to insulate the major groups from domestic as well as imported competition. The other factor in the chemicals industry equation, and the factor which generated the most popular excitement five or so years ago, is coal. South Africa has no domestic oil resources, but the Government, best on encouraging a high degree of self-sufficiency in liquid fuels and organic chemicals, ensured that conditions were favourable for the large scale establishment of chemicals plants based on coal. The significantly enlarged Sasol nil-from-coal operation was the most obvious development. Sasol was built with state funds at a cost in the region of R8bn (\$4.7bn), and is assured of profits because of the controlled price of petrol. No one, publicly at least, questioned the cost or the viability of Sasol. But in round terms the nil-from-coal operation provides upwards of 50 per cent of South Africa's liquid fuel needs—at a price

and Sentrachem's R0.7bn. And it is terrifying the other main chemicals companies with its rapid entry into the important R1bn a year fertiliser sector. Fertilisers best exemplify, perhaps, the Government's new approach to the chemicals industry. In line with recommendations of an investigation into the country's industrial development strategy headed by Mr Basie Kieu, the chairman of the Board of Trade and Industries, the Government is switching from import controls to tariff protection, and it is taking into account Mr Kieu's recommendation that protection of import replacement industries should be on a limited and selective scale. In addition, South Africa is determined to align its foreign trade with the requirements of GATT, while the Government has fast come round to the view that a healthy dose of cheap chemicals imports can be a potent factor in reducing the country's 10 per cent-plus inflation rate. Phosphoric acid is one of the few chemicals products South Africa can export in volume. As Mr Smale admits, there are limited opportunities for other exports. South Africa simply cannot compete against chemicals makers with plants based on cheap oil. But fertiliser exports have been badly hit by weak demand from overseas buyers, while, at the same time, the domestic market has been battered by the country's worst drought in 50 years. At present, according to Mr Marlow, South Africa's annual consumption of fertiliser is about 2m tons. Under normal circumstances and when the drought eventually breaks, consumption could rise to 3.5m tons. This, though, is a far cry from the industry's currently installed production capacity of about 5m tons. No matter how strongly the market grows, there is little likelihood of any significant spending on new capacity for several years on Mr Marlow's reckoning. The same seems to be true of

polymers such as pvc. In the mid-seventies the Government was instrumental in joining AECI and Sentrachem in a 60:40 joint venture in the coal-based Coalplex pvc and caustic soda plant. Coalplex was built on the estimate that annual domestic pvc consumption would now be in the region of 170,000 tons. It is nearer to 100,000 tons, and Sentrachem has sold out its 40 per cent interest in the low-profitability operation to its partner, AECI, for R60m. In another field, the fact that coal-based chemicals plants generally cost half as much again in capital terms as the more conventional operations using oil feedstock has not deterred Continental Gummi-Werke, the West German tyre maker, from laying initial plans to make synthetic rubber products in South Africa. Nor is it put off by the fact that South African plants are relatively small, and therefore relatively unprofitable in an industry in which volume throughput is all important. Whether Conti-Gummi's plans come to fruition is another matter. Sentrachem, which operates the 50,000 tons a year coal-based Alfrene synthetic rubber plant is barely content with the degree of tariff protection the Government has allowed it. Nevertheless, over the next five years its sales growth appears assured, in line with an agreement with the tyre industry which will steadily phase in use of synthetic rubbers. The immediate outlook, though not altogether bright, is not altogether gloomy. As Mr Marlow of Sentrachem sees it, the Government is prepared to be flexible in its implementation of the new import policies, and realises that it has to tread carefully if a broadly-based chemicals industry is to be maintained. Nevertheless, in line with executives in other chemicals groups, he believes that the emphasis on coal has to change, and a shift has to be made to other feedstocks, which lower the industry's risks and costs. The Government is taking another look at its industrial development strategy, but this is unlikely to alter the chemical industry's view that the next expansionary round will almost certainly be based on projects which do not rely on protection.

One of the few chemicals products South Africa can export in volume

Will have more cash than it will know what to do with

unused capacity is brought back into operation. Mr Smale says, AECI will have more cash than it will know what to do with. Nevertheless, rather than spend on new projects, AECI could well concentrate on acquisitions or removing bottlenecks from existing plant to underpin its next growth phase. Finding reasons for the change in management attitudes is not difficult. Virtually since the end of the second World War, South Africa's chemicals sector has been nurtured behind a comprehensive array of import controls. This helped to ensure adequate returns on capital investments in a sector which was integral to the Government's drive towards national strategic self-sufficiency. Import controls were backed up by Government controls over who could build and

Chairman of Barclays Bank of Zimbabwe

Mr John Carter, formerly deputy chairman of BARCLAYS BANK OF ZIMBABWE, has been appointed chairman of that company. He succeeds Mr Geoffrey Kilman-Brown who has retired.

Mr Robert J. Wall, vice president of CNA Insurance, has been re-elected chairman of the board of THE SURETY ASSOCIATION OF AMERICA. Mr John E. Bloodgood, vice president of The Travelers Insurance Group, was re-elected vice chairman.

Mr Jaime Debarros, who was managing director of VERBA TBM in Europe, returns to corporate headquarters in California as managing director, international marketing.

Mr John E. Bloodgood, vice president of The Travelers Insurance Group, was re-elected vice chairman.

Mr Werner Regli has been appointed finance and accounting director of the ALUSISSE GROUP. Mr Regli will be based at the group's parent company Swiss Aluminium in Zurich.

Mr John Eiling Treat, president of the New York Mercantile Exchange (NYMEX), is to become a partner at BEAR, STEARNS AND CO. and will provide expanded energy futures investment services and risk management to large corporate clients in the energy industry.

Mr Treat and current Bear Stearns partner Mr Joe Leach will manage the newly structured Bear Stearns Energy Group, with headquarters in Los Angeles. Mr Treat will join the company in July.

Lloyds Bank small business chief

Mr Don Good has been appointed manager of the small business unit of LLOYDS BANK. He was formerly assistant chief manager of Lloyds Leasing. The bank has strengthened its small business operations with the creation of this unit, which now comes within Lloyds' business advisory service, whose chief manager is Mr Colin Jones. The unit, which spearheads the bank's promotional and service activities and technical expertise in the small business field, also includes the franchise manager, Mr Allan Pope.

CHEMICAL BANK has appointed Mr David E. Nye, vice president, as managing director-designate for its recently established subsidiary, Chemical Bank (Guernsey), in St. Peter Port. Mr Nye joined Chemical Bank's merchant banking venture in London at its inception in 1970, becoming company secretary and executive director-administrator before transferring into the London branch as vice-president in 1981.

Mr George Porritt has been appointed a director of YARROW. He joined the group in September 1981 as managing director of Control Systems, Uxbridge, and will continue in that post.

DERRY AND SONS, Nottingham, has appointed Mr Neville Barker to the board. He joined the company in 1945 and was a senior executive. He now assumes responsibility for sales and marketing. In the 17 year history of the firm Mr Barker is only the second person to be appointed a director from outside the Derry family.

Mr I. C. Smith has been appointed a non-executive director of WOLSTENHOLME RINK. He is managing director of Baxi Partnership.

Mr John B. Morris, a partner of Peat, Marwick, Mitchell and Co, management consultants, has been elected president of the INSTITUTE OF MANAGEMENT CONSULTANTS for 1984-85 and succeeds Mr Len J. Weaver, executive chairman of Polymark International. Mr John D. Chadwick, director and a governor of Sundridge Park Management Centre, has been elected senior vice president of the Institute.

Mr Richard Davies has been appointed managing director of HARRISON COWLEY ADVERTISING (MIDLANDS). He has been with Harrison Cowley Advertising in Bristol for the last five years, joining the board in December 1982. Also joining the HCA (Midlands) board are Mr Richard Hooley, and Mr Tony Halfway, both from account directors. Mr David Elliot becomes deputy chairman, and remains chief executive.

U.S. \$10,000,000

The Commercial Bank of Korea, Limited

Negotiable Floating Rate Non-London Certificates of Deposit Due 21st April, 1989

Continental Illinois Capital Markets Group

Yasuda Trust Europe Limited State Bank of New South Wales

Continental Illinois Limited Agent Bank April 1984

U.S. \$100,000,000

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Lehman Brothers International Shearson Lehman American Express Inc.

Manufacturers Hanover Limited Algemene Bank Nederland N.V.

Banque Bruxelles Lambert S.A. Banque Nationale de Paris Barclays Bank Group

Commerzbank County Bank Limited Crédit Commercial de France

Creditanstalt-Bankverein Deutsche Bank Enskilda Securities

Lloyds Bank International LTCB International Limited

Merrill Lynch Capital Markets Mitsubishi Finance International Limited

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All of these securities have been sold. This announcement appears as a matter of record only.

May, 1984

**Amistar**  
1,000,000 Shares  
Common Stock

L. F. ROTHSCHILD, UNTERBERG, TOWBIN

BEAR, STEARNS & CO.	THE FIRST BOSTON CORPORATION
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KIDDER, PEABODY & CO.	LEHMAN BROTHERS KUHN LOEB
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ARNHOLD AND S. BLEICHROEDER, INC.	CAZENOVE INC.
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MORGAN GRENFELL & CO. PICTET INTERNATIONAL

J. HENRY SCHRODER WAGG & CO. VEREINS- und WESTBANK

**VONTOBEL EUROBONDINDIZES**

WEIGHTED AVERAGE YIELDS PER 22 MAY 1984

	Today	INDEX Last week	% High	% Low	% 11.52
USS Eurobonds	13.35	13.51	13.51	11.52	11.52
DM (Foreign Bond Issues)	7.47	7.45	7.45	7.14	7.14
YLF (Banker Notes)	7.38	7.38	7.38	7.11	7.11
Can Eurobonds	13.61	13.98	13.98	13.86	12.60

Bank J. Vontobel & Co. Ltd, Zurich - Tel: 010 471 488 7111

Weekly net asset value

Tokyo Pacific Holdings (Seaboard) N.V. on 21st May, 1984, U.S.\$89.67

Listed on the Amsterdam Stock Exchange

Information: Pierson, Holding & Pierson N.V., Herengracht 214, 1016 BS Amsterdam.

Companies and Markets

INTL: COMPANIES & FINANCE

All these securities have been sold. This advertisement appears as a matter of record only.

**A\$20,000,000**

**HARTOGEN ENERGY LIMITED**

A private placement  
5,000,000  
Convertible Cumulative Redeemable Preference Shares  
at \$4.00 each, due 16th December, 1988

*Underwritten by:*

Bato Reid Securities Limited	McCaughan Dyson & Co.
Members of the Stock Exchange of Melbourne Limited	

*Sub-underwritten by:*

Commonwealth Trading Bank of Australia	Martin Corporation Limited
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Financial Adviser: Bato Reid Limited  
Issue Manager: McCaughan Dyson & Co.      May 1984

**Dry well depresses BHP and Weeks**

By Leahlan Drummond in Sydney

THE SHARE prices of Broken Hill Proprietary (BHP) and Weeks Australia, two listed direct participants in the Jabiru offshore oilfield have dropped considerably after a disappointing result from the Jabiru two appraisal well.

After suffering sharp falls in Monday's trading on rumours of a dry result, BHP shares were cut by 55 cents to A\$9.80 on Tuesday and Weeks by 35 cents to A\$1.05 after BHP announced that no hydrocarbons had been encountered even though the current depth of the well was below the oil zone found in the original Jabiru No 1A drilled in August last year.

The drop in the BHP share price on Tuesday took its two-day losses to 80 cents a share — representing an A\$360m reduction in its market capitalisation to a shade over A\$4.4bn (U.S.\$3,95bn) which compares with a peak capitalisation earlier this year of just under A\$5bn. Yesterday BHP's shares rose slightly to close up 10 cents to A\$9.90.

At Weeks Australia the loss came to 35 cents for the last five trading days, which has topped the capitalisation of its ordinary shares from nearly A\$500m to almost A\$190m.

On the basis of Weeks 10.3 per cent stake, the market's estimates of the cost of failure is A\$1.1bn, while on BHP's A\$360m loss on capitalisation for its 50 per cent share it comes back to A\$720m.

**Fuji Photo Film hit by VCR tape price cutting**

BY YOKO SHIBATA IN TOKYO

THE VALUE of sales of VCR tapes fell by 20 per cent in the period despite a 15 per cent increase in volume. As a result, sales by the magnetic tape sector, including VCR and audio tapes, fell by 7.4 per cent to account for 15.3 per cent of the total. Photographic film sales rose by 3.3 per cent to account for 44.2 per cent.

The company says that the deterioration in magnetic tape earnings outweighed the favourable effects of cost cutting and

higher revenues from using surplus funds. Heavy price-cutting competition is expected to continue in the VCR tape market in the current half year but the company has not altered its full year earnings targets. Pre-tax profits are forecast at ¥56bn, up 2 per cent, net profits at ¥46bn, down 6.5 per cent, and sales at ¥600bn, up 10 per cent. The company still intends to pay a final dividend of ¥5.25 for a total of ¥10.5 against ¥8.

The value of sales of VCR tapes fell by 20 per cent in the period despite a 15 per cent increase in volume. As a result, sales by the magnetic tape sector, including VCR and audio tapes, fell by 7.4 per cent to account for 15.3 per cent of the total. Photographic film sales rose by 3.3 per cent to account for 44.2 per cent.

**Ezaki Glico warns on effects of harassment**

By Robert Cottrell in Tokyo

EZAKI GLICO, the Japanese confectionery manufacturer whose president was recently kidnapped, says its profits are likely to be significantly reduced by a sustained campaign of criminal harassment against the firm.

The company announced yesterday that consolidated net profits of ¥6,635bn (\$65.9m) were earned in the year to March 1984, but for the current year profits were likely to fall to ¥5bn at best.

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**Earnings fall at Hattori Seiko**

BY OUR TOKYO STAFF

HATTORI SEIKO, the sales arm of the Seiko watches and clocks group, which is the world's largest manufacturer of timepieces, has reported a 16.7 per cent gain in parent company pre-tax profits to ¥7.1bn (\$30.4m) for the year to March. However, after doubled corporate tax net profits declined by 41 per cent to ¥2.9bn and net profits per share fell to ¥30.40 from ¥51.78. Sales were 3.3 per cent higher at ¥261.9bn.

Sales in the watch sector grew by just 1.5 per cent to account

for 72 per cent of the total despite a rise in volume sales of 37 per cent. On the other hand sales by the non-watch sector, including computer related products (up 15 per cent), fared well to account for 16.2 per cent of the total against 14.7 per cent in the previous year.

The improvement in pre-tax profits was attributed to the company's improved financial standing after a reduction in borrowings.

Hattori Seiko plans to integrate its sales subsidiaries

and streamline its sales network in the current year, and the company foresees a 5.1 per cent improvement in pre-tax profits to ¥7.5bn, on sales up 3.6 per cent to ¥275bn.

Citizen Watch, Japan's second largest watch manufacturer, has reported parent company net profits rising to ¥5,89bn for the year to March, compared with ¥4.8bn previously. Sales also rose, by 29 per cent, to ¥127bn and pre-tax earnings were up to ¥10.74bn from ¥8.32bn.

**Fujisawa Pharmaceutical down**

BY OUR TOKYO STAFF

FUJISAWA PHARMACEUTICAL suffered an 8.7 per cent fall in parent company net profits to ¥10.9bn (\$46.7m) in the year to March. Pre-tax profits were down 11 per cent to ¥27.9bn on sales of ¥203.7bn, up 2 per cent. Net profits per share were ¥44.46, against ¥51.68.

The company was affected by a government cut in medication prices in the national health care service (including a March 1 1984 drug price revision), and was hit by a setback in sales of the high profit margin, antibiotics.

Last year's industrial espionage scandal also depressed sales. As a result, sales in the antibiotics sector declined by 10 per cent to account for 43.4 per cent of the total.

The lower antibiotic sales, additional expenditure to compensate inventories at wholesalers, and higher research and development expenditure, all dragged down earnings, says the company.

The company expects to receive the full brunt of the drug price revision in the current year and also foresees

heavier sales competition. Citizen is withdrawing its products from Fujisawa to distribute them through its own sales networks and this will cut Fujisawa's sales by ¥5bn. Full-year sales are projected at ¥240bn, up 1 per cent.

A shortage of higher-margin in-house developed products and higher research and development spending are also expected to drag down earnings. Pre-tax profits are projected at ¥22bn, down 21 per cent, and net profits at ¥7.5bn, down 8.8 per cent.

Anonymous letters sent to Japanese newspapers on May 10 threatened that Ezaki Glico products on supermarket shelves would be poisoned with cyanide. Most retailers promptly withdrew Glico goods from sale. Ezaki Glico says that, as a result, it has cut production of all product lines. Output at three milk products factories has been reduced by 30 per cent, while part-time workers have been laid off at a further 14 plants. The company says its sales and profits for the current fiscal year will depend largely on how this situation develops.

The police say they are baffled by the campaign against the company which began in March when Mr Katsuhisa Ezaki, its president, was kidnapped naked from his bath. He escaped after three days, apparently unable to give police any 'leads' to his abductors. During April, arson attacks were twice made on company premises, and threatening letters were sent. According to a Japanese newspaper report, the would-be poisoners also wrote last week to a supermarket chain executive asking him to restore Ezaki Glico products to his shelves so that the poisoning campaign could get under way.

Those investigating the case apparently believe their best chance of catching Ezaki Glico's tormentors lies in tracing the typewriters on which the various letters were written.

Extracts from the Report of the Committee and Statement by the Chairman at the 117th Annual General Meeting held in London on 23rd May 1984.

**OTTOMAN BANK**

Incorporated in Turkey with Limited Liability

**BALANCE SHEET AND PROFIT AND LOSS**

The Balance Sheet, total \$253 million, is up by £13 million (3.5 per cent). The increase in value of our investments outside Turkey has more than offset the 25 per cent fall in value of the Turkish Lira against Sterling. The profits of our wholly-owned subsidiaries Pigeon and Adoxa, in which we have now concentrated the greater part of our investments outside Turkey, have risen significantly. However the profits of our Turkish branches continued to fall and changes in the Banking Law have obliged us to transfer the greater part of available profits to Reserves. After the payment of tax and passing TL 650,000,000 (£1,619,413) to local reserves, the 1983 Profit and Loss Account shows a profit of £2,801,709 (1982—£2,907,975), of which £104,137 is awaiting transfer. After including the 1982 profits from Turkey, transferred in 1983, ie £582,225, the amount available at 31st December 1983 is £3,294,451 against £3,786,876 at end 1982. From this amount, the Committee have decided to transfer £800,000 to Reserves.

From the amount of £2,494,451 remaining, the Committee propose an unchanged distribution of £4.50 per share payable on 13th June 1984. In conformity with Article 40 of the Statutes a sum of £111,111 will be distributed to the holders of Founders' Shares at the rate of £514.40 per share and £111,111 to the Committee.

**COMMITTEE**

Monsieur Manset and Mr Clay retire at this meeting and we thank them for the services they have given to the Bank. The Hon. David Montagu, Monsieur Jean-Yves Haberer and Mr George Warreo have accepted invitations to join the Committee.

**TURKEY**

On the economic front, there was a slowing down of the progress made in 1983: the trade and current account deficits widened. Nevertheless, Turkey's international credit standing continued to strengthen. Tight money policies and high interest rates adversely affected both industry and the banking sector. The constraints placed on industry by falling domestic demand and the high cost of borrowing created difficulties of many kinds. The interest rate margins of the banks have been gradually pared down to the point where they are becoming negative. It must be expected that the situation will continue unsatisfactory from the point of view of the banks until such time as the Government's economic programme aimed at growth, reduction in the rate of inflation and freer movement of capital produces results. The unfavourable conditions adversely affected our branches. While deposits increased, profits were lower since provisions for doubtful debts had to be made and interest on some loans was suspended. Last autumn, we rationalised our business in Turkey by the closure of 17 small, unprofitable branches, reducing our branch network to 86. Last year, it was reported that negotiations for the transformation of our branch network in Turkey into a local company had not reached any conclusion. No progress has been made and the discussions are considered to be at an end.

**ISTANBUL HOTEL COMPANY**

Our Hotel Company in Istanbul continued to make good progress. The legal proceedings against the Intercontinental Hotel Corporation were settled by them in full on the basis of the arbitration award.

**SOCIETE NOUVELLE DE LA BANQUE DE SYRIE ET DU LIBAN**

The situation in the Lebanon remained extremely difficult during 1983. Nevertheless, the Société Nouvelle de la Banque de Syrie et du Liban managed to maintain its business activity on a profitable basis. In view of the situation in the country, the General Meeting will be asked to approve the transfer of all the profits after tax to reserves and no dividend will be declared for 1983.

**NET ASSET VALUE**

Last year, the Net Assets of the Bank were estimated by the Committee to be about £50 per share. The Committee feel that it would be helpful to bring this figure up to date this year. While the value of the Bank's assets is subject to substantial exchange rate and market fluctuations and the market value of our banking premises is difficult to assess, the Committee estimate that the Net Assets of the Bank were approximately £100 per share at the end of 1983.

Copies of the Report and Accounts will be obtainable from: The Secretary, Ottoman Bank Representative Office, Dunster House, 37 Mincing Lane, London EC3R 7DN.

**JAPANESE COMPANY RESULTS**

FUJII HEAVY INDUSTRIES SMALL CARS/AIRCRAFT			KUMAGAI GUMI CONSTRUCTION			MINISEA BEARINGS			TOSHIBA ENGINEERING & CONSTRUCTION PLANT ENGINEERING		
Year to Mar '84 Mar '83			Six months to Mar '84 Mar '83			Six months to Mar '84 Mar '83			Year to Mar '84 Mar '83		
Revenue (bn)	603	580	Revenue (bn)	291	283	Revenue (bn)	80	48	Revenue (bn)	901	93
Pre-tax profit (bn)	25.4	32.3	Pre-tax profit (bn)	221	15.24	Pre-tax profit (bn)	3.51	2.54	Pre-tax profit (bn)	8.28	4.58
Net profit (bn)	15.16	14.53	Net profit (bn)	6.32	6.62	Net profit (bn)	8.41	8.57	Net profit (bn)	2.16	2.01
Dividend	8	8	Net per share	18.11	19.25	Net per share	45.40	87.95	Dividend (total)	12	10
PARENT COMPANY			PARENT COMPANY			PARENT COMPANY			PARENT COMPANY		
C. ITOH FUEL OIL PRODUCTS TRADING			KURARAY VINYLON MAKER			OLYMPIC FISHING TACKLE			TOYO ENGINEERING CHEMICAL PLANT CONSTRUCTION		
Year to Mar '84 Mar '83			Year to Mar '84 Mar '83			Six months to Mar '84 Mar '83			Year to Mar '84 Mar '83		
Revenue (bn)	375	407	Revenue (bn)	206	193	Revenue (bn)	5.9	3.95	Revenue (bn)	142	145
Pre-tax profit (bn)	2.08	4.01	Pre-tax profit (bn)	2.5	2.4	Pre-tax profit (bn)	1623	100	Pre-tax profit (bn)	15.45	15.53
Net profit (bn)	1.43	1.95	Net profit (bn)	1.27	1.02	Net per share	132.82	5.28	Net profit (bn)	7.41	8.04
Net per share	29.47	35.16	Net per share	5.71	4.77	Dividend	—	—	Net per share	61.24	79.79
Dividend (total)	7.5	7.5	Dividend (total)	4	4	PARENT COMPANY 1 Loss.			Dividend (total)	8	8
PARENT COMPANY			PARENT COMPANY			PARENT COMPANY			PARENT COMPANY		

All of these securities have been sold. This announcement appears as a matter of record only.

May 1984

**INVACARE corporation**

**1,900,000 Common Shares**

- L.F. ROTHSCHILD, UENTERBERG, TOWBIN      McDONALD & COMPANY
- |   |                                  |                                   |
|---|----------------------------------|-----------------------------------|
| BEAR, STEARNS & CO.                           | THE FIRST BOSTON CORPORATION     | A. G. BECKER PARIBAS              |
| BLYTH EASTMAN PAINE WEBBER                    | ALEX. BROWN & SONS               | DILLON, READ & CO. INC.           |
| DONALDSON, LUFKIN & JENRETTE                  | DREXEL BURNHAM LAMBERT           | HAMBRECHT & QUIST                 |
| E. F. HUTTON & COMPANY INC.                   | KIDDER, PEABODY & CO.            | LAZARD FRERES & CO.               |
| LEHMAN BROTHERS KUHN LOEB                     | PRUDENTIAL-BACHE Securities      | ROBERTSON, COLMAN & STEPHENS      |
| SALOMON BROTHERS INC                          | SHEARSON/AMERICAN EXPRESS INC.   |                                   |
| SMITH BARNEY, HARRIS UPHAM & CO.              | WERTHEIM & CO., INC.             | DEAN WITTER REYNOLDS INC.         |
| ALLEN & COMPANY                               | F. EBERSTADT & CO., INC.         | A. G. EDWARDS & SONS, INC.        |
| LADENBURG, THALMANN & CO. INC.                |                                  | MONTGOMERY SECURITIES             |
| MOSELEY, HALLGARTEN, ESTABROOK & WEEDEN INC.  |                                  | PIPER, JAFFRAY & HOPWOOD          |
| ROTHSCHILD INC.                               | THOMSON MCKINNON SECURITIES INC. | TUCKER, ANTHONY & R. L. DAY, INC. |
| CAZENOVE INC.                                 | ROBERT FLEMING                   | KLEINWORT BENSON                  |
| SWISS BANK CORPORATION INTERNATIONAL          |                                  | WOOD GUNDSY CORP.                 |
| BANQUE de PARIS et des PAYS-BAS (SUISSE) S.A. |                                  |                                   |
| COMPAGNIE de BANQUE et d'INVESTISSEMENTS, CBI |                                  | BANQUE INDOSUEZ                   |
| HILL SAMUEL & CO. SAMUEL MONTAGU & CO.        | MORGAN GRENFELL & CO.            | CREDIT COMMERCIAL de FRANCE       |
| PIERSON, HELDRING & PIERSON N.V.              | J. HENRY SCHRODER WAGG & CO.     | PICTET INTERNATIONAL              |
|   |                                  | VEREINS- und WESTBANK             |

This announcement appears as a matter of record only



**AB Electrolux**

(Incorporated in the Kingdom of Sweden with Limited Liability)

**Dfls 60,000,000**

**8% Bearer Notes 1984 due 1989**

Amsterdam-Rotterdam Bank N.V.      Bank Mees & Hope NV

Algemene Bank Nederland N.V.  
Pierson, Heldring & Pierson N.V.

Enskilda Securities  
Skandinaviska Enskilda Limited  
Swiss Bank Corporation International Limited

April, 1984

UK COMPANY NEWS

Robert Moss profits double to £1.6m and dividend up 25%

TAXABLE PROFITS more than doubled from £715,000 to £1.6m at Robert Moss in the year to end-March 1984 and the total dividend is being lifted by 25 per cent to 2.5p by a final payment of 1.7p.

Sidlaw tops £3m and pays 1p more

Sidlaw Group is raising its interim dividend by 1p to 5p net on the back of a £744,000 rise in pre-tax profits to £3.17m for the six months ended March 31, 1984.

Redfearn Glass £791,000 losses—sales fall £3.7m

PRE-TAX losses at Redfearn National Glass, glass and plastic container manufacturer, amounted to £791,000 for the 26 weeks ended April 1 1984, compared with £882,000 last time, and the interim dividend is again omitted.

There was no tax again but depreciation and furnace renewal expenditure amounted to £1.23m, compared with £1.22m. Loss per 25p share is given as 13.1p (16.25p).

Delyn hoists dividend as profits jump 28%

Delyn Packaging lifted pre-tax profits for the year to January 29 1984 by 27.6 per cent and is hoisting its dividend payment by 66.7 per cent.

Cronite moves back into the black at six months

A STRONG recovery has been achieved by Cronite Group in the six months to March 31 1984, with the company bouncing back into the black and further profits forecast for the second half of the current year.

Osprey (Holdings)

Osprey (Holdings) of Enfield wishes to make it clear that it has no relation with Osprey Holdings, a Lberian company listed yesterday among those subject to winding up orders made in the High Court.

The Iron Trades Employers Insurance Association Limited

and its wholly-owned subsidiary Iron Trades Mutual Insurance Company Limited ASSETS OF THE GROUP EXCEED £400m

GROUP RESULTS

Table with 2 columns: 1983 (£m) and 1982 (£m). Rows include Premium Income (Liability and Health Care, Motor, Material Loss), Underwriting Results, Investment Income, Taxation, Surplus for the year, and Total Reserves.

The parent company is a mutual office and has specialised in low cost liability insurance on behalf of its members since 1889. Iron Trades is a market leader in employers' liability business in the United Kingdom.

Considerable progress has been made in health care insurance which we commenced to write in 1952 for group schemes. Our expertise in claims handling gained over many years in the liability field has proved of great value.

Good progress has been made by the subsidiary company in its own right and the development of private motor business has resulted in our becoming a significant market force.

The overall surplus for the year has been transferred to free reserves. For a copy of our 1983 Annual Report and Accounts, please contact:

The Company Secretary THE IRON TRADES INSURANCE GROUP Iron Trades House 21/25 Grootenhorst Place London SW1X 7JA

Raybeck

Table showing 39 weeks ended 29 January 1984 and 53 weeks ended 1983. Rows include Turnover, Profit (Loss) before taxation, Profit after taxation, Extraordinary charges, Earnings per ordinary share, and Dividend per ordinary share.

The financial year end has been changed to the last Saturday in January to bring the Company into line with other major retailers.

The trading performance has improved compared to the previous year and we are pleased with the successful introduction of our "Detroit stores".

Your Board is confident of the long term future of your Company and accordingly has resolved to recommend a dividend of 0.50p per ordinary share (1983 - 0.25p).

The Group's balance sheet remains strong and conservatively geared. The excess worth over net book value of Group properties is not included in the balance sheet.

Copies of the report are available from: The Secretary Raybeck PLC, 305 Oxford Street, London W1R 2LE



Results for 1983/84 Results for the year to 31st March, 1984.

Main results table comparing 31st March 1984 and 31st March 1983. Rows include Turnover (excluding VAT), Profit on ordinary activities before taxation, Taxation, Profit after taxation, Minority interests, Extraordinary items after taxation, Profit for the financial year, Dividends, Profit retained, Earnings per share, Industrial Division, Retail Division, Interdivisional, and Net interest and unallocated items.

Notes

1. The Industrial Division increased sales by 15.1% and profits, excluding FBC, by 10.1%.

Our share of FBC, the jointly-owned agrochemical business, was sold during 1983, and only six months results have consequently been included.

Pharmaceuticals had a difficult year in the UK and some overseas countries, but in others, notably the USA, excellent progress was made.

2. Retail Division's principal business, Boots The Chemists, had a successful year. Sales grew by 7.8%, of which over 4.9% was real growth, and trading profits increased by 13.3%.

These figures are after a charge of over £6 million against both dispensing sales and profits pending a final decision as to the method by which excess discounts allowed to chemists in England and Wales will be reclaimed.

3. The Taxation Charge comprises:

Small table showing Taxation Charge for UK, Overseas, and Related companies for 1984 and 1983.

4. The Extraordinary Items for the year comprise:

Small table showing Extraordinary Items for profit after taxation on disposal of related company and profit on disposal of surplus houseware premises.

5. Earnings per Share calculations are based on profit after deducting minority interest and before extraordinary items, and on average ordinary shares in issue.

6. The Directors have proposed a Final Dividend of 3.5p per share (last year as adjusted 3.0p per share) which amounts to approximately £25.5m and will be paid on 19th July 1984 to shareholders registered on 15th June 1984.

total for the year becomes 5.5p per share (1983 as adjusted 4.75p per share).

7. The profit before taxation as shown by current cost accounts is £130.9m (1983 £98.1m).

8. The Directors have provided £35m out of reserves for deferred taxation as a consequence of the changes in tax allowances on capital expenditure proposed in the 1984 Finance Bill.

9. This summary of results does not constitute a full financial statement. The full report and accounts, on which the auditors have issued an unqualified report, will be posted to shareholders on 21st June 1984.

10. Dr P. T. Main, Chairman of the Company, says "We have achieved a great deal during the year, and, as forecast, maintained growth in the second half against a buoyant out-turn last year."

We are pleased that our UK staff will participate in a bonus fund of £11.3m, based on trading profits earned in this country, which they can receive in cash or ordinary shares.

We still have a great deal to achieve and from our increasingly strong financial base we are actively engaged in looking at acquisitions where these answer our needs in terms of profit growth, new products, or geographical representation.

Both Divisions, under their new Managing Directors, face a year of challenge and opportunity.

The Boots Company PLC

The Boots Company PLC, Nottingham NG2 3AA

**Granville & Co. Limited**

Member of NASDMM  
27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

**Over-the-Counter Market**

1983-84 High	Low	Company	Price	Change	Gross Div. (p)	Yield %	Fully Paid
142	117	Ass. Brit. Ind. Ord.	135	—	6.4	4.6	7.2
158	117	Ass. Brit. Ind. CULS...	145	—	10.0	6.9	17.7
38	21	Armstrong & Rhoades...	52	+1	8.1	9.8	17.7
330	141	Bankers' Ind.	326	—	7.2	2.2	13.3
53	33	Bry Technology	33	—	3.5	6.8	6.2
201	137	CCL Drilling	201	—	5.0	2.5	6.2
152	121	CCL 11pc Conv Pref	152	—	15.7	10.3	—
530	440	Carbonium Abtravies	530	—	5.7	1.1	—
103	248	Cindica Group	103	—	17.8	17.0	—
88	45	Deborah Service	67	—	5.0	9.0	35.8
223	75	Frank Horsell Fr Ord 87	223	+1	6.7	4.3	8.5
223	223	Frederick Parker	223	—	4.3	14.8	—
38	32	Georgia Blair	36	—	—	—	—
80	48	Ind Precision Carings	50	—	7.3	14.8	13.8
2183	2150	Isla New Fully Pd Ord	2183	—	10.0	8.9	—
265	134	Isla Conv Pref	365	—	17.1	4.7	—
124	61	Jackson Group	123	—	4.5	3.7	8.4
258	188	James Burrough	258	—	11.4	4.5	13.8
425	278	Minihouse Holding NV	424	—	4.2	1.0	30.5
176	97	Robert Jenkins	97	—	20.0	20.8	11.2
74	56	Scrutton "A"	56	—	5.7	10.2	8.7
120	61	Torday & Carlisle	75	+1	—	—	—
444	385	Trevan Holdings	435	—	1.0	8.8	9.1
28	17	Unilever Holdings	18	—	1.0	11.5	17.1
62	65	Walter Alexandt	65	—	6.8	8.0	7.5
276	236	W. S. Yeates	246	—	17.1	7.0	6.9

**UK COMPANY NEWS**

**Irish Distillers ahead by 11% to £5m at halfway**

AN INCREASE of 11.2 per cent from £4.56m to £5.16m in taxable profits is reported by Irish Distillers Group for the half-year to March 31 1984. Mr M. J. Killeen, the chairman, says this is in line with the estimate given at last month's extraordinary general meeting held to approve the acquisition of BWG.

The acquisition of BWG, which became unconditional on April 16, is not reflected in the group's profits for the half-year, but will be reflected in the out-turn for the full year when the appropriate proportion of its profits will be included.

An unchanged dividend of 1.5p will be paid on the ordinary shares enlarged by last year's one-for-four rights issue and also by the BWG acquisition. After a higher tax charge, up from £254,000 to £410,000, there is a fall of 9.8 per cent in earnings per share which is calculated after allowing for the rights issue.

Group turnover in the opening half was down from £71.8m to £58.2m. The pre-tax figure was after interest charges down from £1.83m to £1.25m and depreciation up from £1.08m to £1.28m. After minority debits of £3,000 (£2,000), attributable profits came out at £4.75m.

Mr Killeen says sales on the home market appear to have stabilised within a much reduced spirit market at over one-third lower than the market in 1979. Export operations continue to grow, although this improvement is not reflected in shipments due

**BOARD MEETINGS**

The following companies have notified details of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interim or final and the subdivisions shown below are based mainly on last year's timetable.

**TODAY**  
Interims: ASEA AB, J. A. Ovensh, Comma, Marjar Estates, National Commercial Banking Corporation of Australia, Scottish Investment Trust, Spencer Clark Metal Industries, Wolverhampton and Dudley Breweries. Final: Catar Allen, Dentand Stemping, Estal, Fine Art Developments, A.

good. The fact that interim sales are off a shade more than the irregularities of shipments than any weakness in demand. SO, aided by lower interest charges, IDG's full year profits look on the way to £11m or so. Brooks Watson will make a maiden contribution in the closing half and with a bit of luck should be good enough to avoid earnings dilution. Initially that acquisition looked slightly out of step, but it is the Republic's leading cash and carry business and a growing IDG customer. So there is an element of protectionism in the purchase, though vertical integration might be the preferred phrase at the Bow Street Distillery. Anyway it does give a broader home base. At 160p the shares stand on a p/e of 11.7 and the dividend will probably be lifted to around 7p (Irish).

**Automotive makes £2m in first quarter**

ALL Automotive Products' factories in the UK, France, Italy and U.S. were busy in the opening months of the current year. Mr George Pears, the chairman, told the annual meeting.

Sales volume in the first four months exceeded the comparable period last year when this vehicle and aircraft equipment manufacturer was on a four-day working week.

Profits for the first quarter were some £2m compared with a break-even situation in the corresponding period last year. Programmes for the second quarter indicated a successful first half. He believed there might be some slowing down in the rate of growth in the second half.

Mr Pears said the board was reducing its cost base and the work was proceeding smoothly as planned. All but one of the UK operations were trading profitably and the overseas companies were trading strongly.

The board believed the worst was behind them and that 1984 would see a further step in the company's return to profitable health. It was also hoped to return to the former level of dividend payments for the year ending December 1984.

**Allied Irish up to expectations with 24% rise to £85m**

A 24 PER CENT advance in taxable profits from £68.9m to £85.4m was achieved by Allied Irish Banks in the year to end March 1984.

The result was virtually in line with directors' expectations at midway when they anticipated a similar profit in the second half to the £42m (£28.6m) achieved in the opening period. Group operating profits amounted to £94.7m (£65.2m), and the taxable result included a £100,000 (nil) share of profit of a non-consolidated subsidiary and a lower contribution of £90,000 (£3.7m) from associate companies.

An effectively higher final dividend of 5p, against 4.09p, is recommended, which raises the total to 6.5p (6.15p). After tax, including the levy on banks, of £54.9m (£29.2m), net profits amounted to £50.5m (£39.7m) and earnings per share were 30p (26.8p).

Minorities accounted for the same at £100,000, and after dividend costs of £15m (£12.1m) and a transfer to reserves, the retained profit is £35.5m (£26.8m).

Total assets at the year end were £1.4bn higher at £7.45bn and shareholders funds were £99m higher at £277m.

**comment**  
A 24 per cent increase in pre-tax profits is not at all bad going for Allied Irish Banks (AIB) given the problems of the Irish economy. The merchant banking arm had to provide for some large bad debts, mainly Irish, and total bad debts were up 15m to £21.2m. The Insurance Corporation of Ireland had a rather disappointing year—a poor underwriting result meant a strengthening of reserves—just as AIB lifted its ownership from

**Walter Duncan**  
Pre-tax profits of Walter Duncan and Geordie's jumped from £246,400 to £1.26m for 1983. After tax and extraordinary items the advance was reduced to one of £50,000 to £353,000. There has also been a £200,000 transfer to reserves for building maintenance this time.

Earnings per £1 share are shown sharply ahead from 23.15p to 53.8p and the dividend payment is held at 12p.

The company's activities include warehousing, distribution and tea marketing; tea agencies and general trading; banking services; property, etc.

**Norton rights**  
Of the 44,628 681 new ordinary shares offered by W. E. Norton Holdings by way of rights, 41,821,636 (approximately 93.7 per cent) have been taken up by shareholders.

**WATTS BLAKE BEARNE**  
NEWTON ABBOT

Mr. C. D. Pike, Chairman, reports:

**Significant improvement in profits**

Other points from the Annual Report:

- \* Pre-tax profit of £3,627,683 compared with £3,173,406 in 1982.
- \* Total dividend increased by over 9%.
- \* Profitability increased in the second half of 1983 consequent upon the continuous improvement in the efficiency of our operations.
- \* We are now confident that we are through the worst of the recession and look forward to 1984 with optimism.

Annual General Meeting: 1st June, 1984

**W B B**  
WATTS, BLAKE, BEARNE and COMPANY, P.L.C.

**PRODUCERS OF BALL AND CHINA CLAYS**

**COMMERZBANK OVERSEAS FINANCE N. V.**  
U.S.\$ 100,000.000  
Floating Rate Notes Due 1989

In accordance with the provisions of the Notes notice is hereby given that for the three months period from May 21, 1984 to August 21, 1984 the Notes will carry an interest rate of 11 3/4% per annum with a coupon amount of U.S.\$ 301.88.

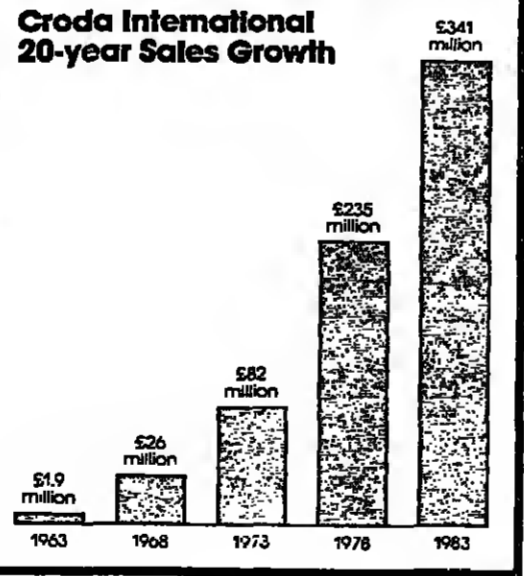
Frankfurt/Main, May 1984

**COMMERZBANK**  
ARTISANENKASSENVERBAND

**Consumers recognise these brands**



**You'll recognise this pedigree**



For many years, Croda International has been the manufacturing power behind a host of household products in the food and toiletries industry.

It is very likely that the soap you used in the shower this morning or the honey you spread on your breakfast toast were Croda Products.

It is also very possible that your favourite restaurant uses Croda Products in its kitchen.

Croda Companies have operated in these areas with considerable success, providing a high standard of service and quality aimed to meet the most demanding customer specifications.

In order to consolidate these activities in the highly competitive environment of consumer marketing, Croda International is bringing these companies together under the banner of Cromano Consumer Products.

This means that The Standard Soap Company, already the largest independent contract producer

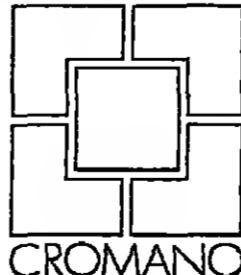
of soap and toiletries in Europe can further develop its high reputation for design and product creativity.

Manley Ratcliffe, Europe's major honey packer, supplies many discerning High Street Multiples with private-label honey. The Ratcliffe range of speciality foods also

benefits from the Group's links with Richardson Foods of Canada, manufacturers of quality mayonnaise and salad dressings.

London Oil Medina and Supache Catering Services further extend the new Cromano Group's activities by distributing a range of specialised oils and fats to the catering industry.

In areas where design, quality, service and competitiveness are paramount for success, Cromano is well placed to draw upon the technological expertise of Croda International throughout the 1980s and beyond.



**Cromano Consumer Products Ltd**  
Cawick Hall, South Goole, North Humberside, DN14 9AA. Telephone (0405) 860551 Telex 57601

**Company Notices**

**N.V. NEDERLANDSE GASUNIE**  
11 1/4% 1981/1986 BONDS

On May 9, 1984 bonds for the amount of U.A. 20,000,000 have been issued for public subscription. The bonds will be of a Notary Public, and will be guaranteed for public subscription. The bonds will be issued on and after July 1, 1984, attached to the prospectus.

The bonds are of two denominations: 125,000 and 175,000. The interest rate is 11 1/4% per annum.

**Banco Nacional de Comercio Exterior, S.A.**  
U.S.\$50,000,000

Floating Rate Notes due 1988

The interest rate for the six months period from 21 May 1984 to 21 November 1984 (184 days) has been fixed at 12 3/4% p.a.

The amount of interest per bond of U.S.\$50,000 denomination is U.S.\$301.88, payable on 21st November 1984.

**THE COLNE VALLEY WATER COMPANY**

NOTICE IS HEREBY GIVEN that the Transfer Books of the Debenture Stock of the Company will be open for inspection on 14th June 1984 for the production of a list of names of debenture holders. The books will be open from 10.00 a.m. to 5.00 p.m. on 14th, 15th and 16th June 1984.

W. A. COSGROVE  
Secretary

**MOTOR CARS**

**TAKE THE PROFIT**  
ON YOUR NEW CAR  
INVESTMENT BUY VIA  
MYCAR 0895 71831/2

Painless import. You take the profit. We do the work.

**MYCAR**

**Art Galleries**

**Clubs**

**Clubs**

RVE has notified the other members of the policy of fair play and the new policy of the Club from 15.30 onwards. Black night on Thursdays. The new policy of the Club from 15.30 onwards. Black night on Thursdays. The new policy of the Club from 15.30 onwards.

**Clubs**

Blackwell's Nightclub. Blackwell's Nightclub. Blackwell's Nightclub.





A copy of this Prospectus has been filed with the Registrar of Companies in Bermuda and (having attached thereto the documents specified in paragraph 4(c) of Appendix III) has been delivered to the Registrar of Companies in England for registration.

This Prospectus includes particulars given in compliance with the Regulations of the Council of The Stock Exchange in London for the purpose of giving information with regard to Quadrant Intercontinental Fund Limited ("the Fund"). The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which

would make misleading any statement herein whether of fact or of opinion. All the Directors accept responsibility accordingly.

Application has been made to the Council of The Stock Exchange in London for the whole of the share capital of the Fund to be admitted to the Official List.

The subscription lists for the shares now being offered will open at 10 a.m. (London time) on 22nd June, 1984 and will close at any time thereafter on the same day. Applications should be sent so as to be received not later than 10 a.m. (London time) on that day.

# QUADRANT INTERCONTINENTAL FUND LIMITED

(Incorporated in Bermuda on 22nd May, 1984 under the Companies Act 1981 of Bermuda (as amended) as an open-ended investment company with limited liability).

## Manager Quilter International Management Limited OFFER FOR SUBSCRIPTION

of  
European Shares, North American Shares and Far Eastern Shares  
at U.S.\$1.02 per share payable in full on application

### QUADRANT INTERCONTINENTAL FUND LIMITED

No person receiving a copy of this Prospectus and/or an application form in any territory other than the United Kingdom, Bermuda or Guernsey may treat the same as constituting an invitation to him to purchase or subscribe shares nor should he in any event use such form unless in the relevant territory such an invitation could lawfully be made to him or such form could lawfully be used without compliance with any registration or other legal requirements. Any person outside the United Kingdom, Bermuda or Guernsey wishing to make an application hereunder should satisfy himself as to the observance of the laws of any relevant territory including obtaining any requisite governmental or other consents or observing any other requisite formalities.

The shares in the Fund have not been registered under the United States Securities Act of 1933 and may not be directly or indirectly offered or sold in the United States of America, or any of its territories or possessions or areas subject to its jurisdiction, or to or for the benefit of a United States person. For this purpose, United States person includes a national or resident of the United States of America, a partnership organised or existing in any state, territory or possession of the United States of America and a corporation organised under the laws of the United States of America or of any state, territory or possession thereof.

The By-laws of the Fund give powers to the Directors to require the redemption or transfer of shares in the Fund held by any person in breach of any law or requirement of any country or governmental authority or by any person or persons in circumstances which, in the opinion of the Directors, might result in the Fund incurring any liability to taxation or suffering any other pecuniary disadvantage which the Fund might not otherwise have incurred or suffered.

Shares may not be acquired or held by any person resident for tax purposes in Guernsey, Alderney or Herm otherwise than as nominee or trustee for individuals or persons not so resident.

All references to "dollars", "cents" and the sign "\$" in this document are, except where the context otherwise requires, to the currency of the United States of America.

Any information given or representations made by any dealer, salesman or other person and not contained herein should be regarded as unauthorised and should accordingly not be relied upon. Neither the delivery of this document nor the offer, issue or sale of shares shall, under any circumstances, constitute a representation that the information given in this document is correct as of any time subsequent to the date hereof.

This document is issued solely for the purpose of the initial offer of European Shares, North American Shares and Far Eastern Shares in the Fund and does not constitute an offer of shares for subscription after 22nd June, 1984. A separate prospectus will be issued for subsequent offers and copies thereof will be available from Quilter International Management Limited.

Potential subscribers of shares in the Fund should inform themselves as to (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, holding, conversion or disposal of shares in the Fund.

Copies of this document with an application form may be obtained from:  
The Bank of Bermuda (Guernsey) Limited, Bermuda House, St. Julian's Avenue, St. Peter Port, Guernsey, Channel Islands  
Quilter Goodison & Co., Garrard House, 31/45 Gresham Street, London EC2V 7LH  
The Bank of Bermuda Limited, Bank of Bermuda Building, Front Street, Hamilton 5-31, Bermuda.

### SHARE CAPITAL

As at the date of this document 119,995 shares had been allotted as European Shares nil paid to Quilter Goodison & Co. at the price of \$1.02 per share for renunciation as part of the initial offer of shares and 1 share had been allotted as a European Share fully paid to each of the Directors of the Fund at the price of \$1.02 per share (together comprising the minimum issued share capital of the Fund). The authorised share capital of the Fund is \$2,000,000 divided into 20,000,000 shares of 10 cents par value each. Such shares may be issued by the Directors as European Shares, North American Shares or Far Eastern Shares. The maximum number of shares which may be subscribed pursuant to this offering is 15,000,000.

### DIRECTORS AND ADMINISTRATION

**DIRECTORS**  
Robert Adrian Cowell, Chairman, Garrard House, Gresham Street, London EC2V 7LH. Aged 47. Partner, Quilter Goodison & Co. British.  
Donald Peter Lines, President, Bank of Bermuda Building, Front Street, Hamilton, Bermuda. Aged 53. Chief General Manager, The Bank of Bermuda Limited, Director, The Bank of Bermuda (Guernsey) Limited, British.  
Frank Mutch, Vice-President, Clarendon House, Church Street, Hamilton, Bermuda. Aged 46. Partner, Conyers Dill & Pearman, British.  
Barrie Catchpole, Garrard House, Gresham Street, London EC2V 7LH. Aged 40. Partner, Quilter Goodison & Co. British.  
Roger Ronald Matthews, Bermuda House, St. Julian's Avenue, St. Peter Port, Guernsey, Channel Islands. Aged 36. Assistant Manager, The Bank of Bermuda (Guernsey) Limited, British.

**MANAGER**  
Quilter International Management Limited, Bermuda House, St. Julian's Avenue, St. Peter Port, Guernsey, Channel Islands.

**INVESTMENT ADVISER FOR EUROPE AND NORTH AMERICA**  
Quilter Goodison & Co., Garrard House, 31/45 Gresham Street, London EC2V 7LH.

**INVESTMENT ADVISER FOR THE FAR EAST**  
G. T. Management (Asia) Limited, 1007-1011 Hutchison House, 10 Harbour Road, Hong Kong.

**JOINT CUSTODIANS AND BANKERS**  
The Bank of Bermuda Limited, Bank of Bermuda Building, Front Street, Hamilton, Bermuda.  
The Bank of Bermuda (Guernsey) Limited, Bermuda House, St. Julian's Avenue, St. Peter Port, Guernsey, Channel Islands.

**STOCKBROKERS**  
Quilter Goodison & Co., Garrard House, 31/45 Gresham Street, London EC2V 7LH.

**AUDITORS**  
Coopers & Lybrand, Abacus Chambers, Smith Street, St. Peter Port, Guernsey, Channel Islands. Chartered Accountants.

**SECRETARY**  
Thomas Haskins Davis, C.A., Bank of Bermuda Building, Front Street, Hamilton, Bermuda.

**REGISTRAR**  
The Bank of Bermuda Limited, Bank of Bermuda Building, Front Street, Hamilton, Bermuda.

**SUBSCRIPTION AND REDEMPTION AGENT**  
The Bank of Bermuda (Guernsey) Limited, Bermuda House, St. Julian's Avenue, St. Peter Port, Guernsey, Channel Islands.

**REGISTERED OFFICE**  
Bank of Bermuda Building, Front Street, Hamilton, Bermuda.

**LEGAL ADVISERS TO THE FUND IN BERMUDA**  
Conyers, Dill & Pearman, Clarendon House, Church Street, Hamilton, Bermuda.

**LEGAL ADVISERS TO THE FUND IN GUERNSEY**  
Collas, Day & Rowland, Manor Place, St. Peter Port, Guernsey, Channel Islands.

**LEGAL ADVISERS TO THE ISSUE**  
Slaughter and May, 35 Basinghall Street, London EC2V 5DB.

### INDEBTEDNESS

As at the date of this document the Fund has no loan capital or term loan outstanding or created but unissued and none of its property or assets is subject to any mortgage or charge and the Fund has no borrowings or other indebtedness in the nature of borrowing, including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits, hire purchase commitments or guarantees or other material contingent liabilities.

Dated 23rd May, 1984

### PRINCIPAL FEATURES

Quadrant Intercontinental Fund Limited is an open-ended investment company incorporated in Bermuda on 22nd May, 1984. Shares are being offered initially in three classes: European Shares, North American Shares and Far Eastern Shares.

A separate fund (an "Equity Fund") will be established in respect of each class of share in the Fund. The assets within each Equity Fund will be invested primarily in shares in companies established in the geographical area to which such Equity Fund relates, namely, Europe, North America or the Far East.

The objective of the Fund is to enable investors to benefit from the capital appreciation of the professionally managed portfolio of investments which will be held within each Equity Fund.

Investors may, subject as provided below, from time to time convert all or part of their shares of one class into shares of another class.

Shares of each class are being offered initially at the price of \$1.02 per share which price includes a sales commission of 2 cents per share, which will be payable to the Manager. The Manager will pay brokerage to stockbrokers, recognised banks, solicitors, accountants and licensed dealers in securities on applications made hereunder bearing their stamp at the rate of 2 cents per share on all shares issued pursuant to such applications.

The minimum initial subscription for each applicant in respect of each class of share is 2,500 shares.

Following the initial offer, shares of each class will be available for issue weekly at the Subscription Price then prevailing, plus a sales commission of up to 5 per cent. of the Subscription Price, and may be redeemed at weekly intervals at the Redemption Price then prevailing.

### INVESTMENT OBJECTIVES AND POLICY

The objective of the Fund will be to provide capital appreciation, without regard to immediate income, by investing the assets of each Equity Fund primarily in equity securities in the specific geographical area to which it relates. There will be no limitation on the size of company in which investments may be made, and, subject to the limitations mentioned in "Investment Restrictions" below, investments may be made in unlisted securities, partly paid shares, options, or convertible bonds and may be concentrated in a single industry or single economy within the specific geographical area.

The assets of the Equity Fund for the European Shares may from time to time be invested in securities of United Kingdom companies.

The assets of the Equity Fund for the North American Shares may from time to time be invested in securities in Canadian companies, although the Directors expect that there will be a predominance of investments in the United States of America.

The assets of the Equity Fund for the Far Eastern Shares will be invested mainly in Japan, but may also from time to time be invested significantly in other Pacific Basin areas.

While the policy of the Directors is that the assets of each Equity Fund should be kept invested in pursuit of the Fund's objective, cash reserves may be held from time to time to meet investment opportunities as they arise. In addition, general market conditions may make it advisable for an Equity Fund to maintain significant liquidity in the form of cash or bonds pending reinvestment.

It is not the intention of the Directors to take management control of any company in which investments are made.

### INVESTMENT MANAGEMENT

The Directors of the Fund are responsible for the overall investment policy of the Fund.

The Fund has appointed Quilter International Management Limited ("the Manager") as its manager, by an agreement dated 22nd May, 1984, with responsibility for the selection of investments and the day-to-day management of the Fund. The Manager was incorporated in, and under the laws of, Guernsey on 17th May, 1984 and has issued and paid up share capital of £10,000. The share capital of the Manager is wholly-owned by the partners from time to time of Quilter Goodison & Co. The appointment of the Manager is for a period of three years and will continue thereafter unless and until determined by either party on giving the other not less than six months' written notice. In addition to the sales commission referred to above under "Principal Features", the Manager will be entitled to receive from the Fund a quarterly management fee (for details see "Charges and Expenses" below).

The Chairman of the Board of Directors of the Fund is Mr. R. A. Cowell, who has been a partner of Quilter Goodison & Co. for 16 years. The President of the Fund is Mr. D. P. Lines, who has been Chief General Manager of The Bank of Bermuda Limited for 2 1/2 years. The Vice-President of the Fund is Mr. F. Mutch, who has been a partner of Conyers, Dill & Pearman for 3 years. The other Directors of the Fund are Mr. B. Catchpole, who has been a partner of Quilter Goodison & Co. for 8 years and Mr. R. R. Matthews who has been an Assistant Manager of The Bank of Bermuda (Guernsey) Limited for 3 1/2 years, both of whom are also directors of the Manager. The other directors of the Manager are Mr. D. J. Davies, a partner of Quilter Goodison & Co., Mr. R. Meggy, Managing Director of The Bank of Bermuda (Guernsey) Limited and Mr. G. R. Rowland, a partner of Collas, Day & Rowland.

The Manager has appointed Quilter Goodison & Co. as its investment adviser in relation to the selection of investments for the Equity Funds in respect of the European Shares and the North American Shares. The appointment of Quilter Goodison & Co. is for a period of three years and will continue thereafter unless and until determined by either party on giving the other not less than six months' written notice.

Quilter Goodison & Co. is based in London and is a broking member of The Stock Exchange. It is constituted as a partnership and traces its origins to several constituent firms which were formed in the eighteenth and nineteenth centuries. The firm currently has 29 partners and employs approximately 250 staff. Agreement in principle has been reached whereby Skandia International Insurance Corporation will acquire a 25.9 per cent. equity interest in Quilter Goodison & Co. Skandia International Insurance Corporation is a wholly-owned subsidiary of Skandia Insurance Company Limited, which is one of the major European insurance companies. Quilter Goodison & Co. has announced that the partnership intends to incorporate after April 1985.

Quilter Goodison & Co. provides broking and related services to individual investors, institutional investors and corporate clients in the United Kingdom and overseas, and manages and advises, on an exclusive basis, portfolio funds valued at approximately £1 billion. Quilter Goodison & Co. also advises on the investments of six United Kingdom authorised unit trusts which are managed by Quilter Management Company Limited, a company wholly-owned by the partners from time to time in Quilter Goodison & Co., namely Quadrant General Fund, Quadrant Income Fund, Quadrant International Fund, Quadrant Recovery Fund, The Wickmoor Fund and The Wickmoor Dividend Fund, the total assets of which are currently valued at approximately £17 million.

Quilter Goodison & Co.'s International Department, which was established in 1971 and currently comprises three partners and 16 staff, provides specialist research, dealing and fund management services in European (including Scandinavian) and North American securities.

The Manager has appointed G.T. Management (Asia) Limited ("GTMA") as its investment adviser in relation to the selection of investments for the Equity Fund in respect of the Far Eastern Shares and has delegated certain of its management powers and duties to GTMA in respect of this Equity Fund. The appointment of GTMA is for a period of two years and will continue thereafter unless and until determined by either party on giving the other not less than six months' written notice.

GTMA is a wholly-owned subsidiary of G.T. Management Limited, a London based investment management company which was established in 1969, and which is the parent company of an international investment management group with offices in London, Hong Kong, San Francisco, Bermuda, Menlo Park (California), Tokyo and Sydney. Clients include private investors, pension funds and other financial institutions in the United Kingdom, the United States of America, France, the Far East and the Middle East.

The Manager is responsible for the payment of the fees of both of the Investment Advisers and any other investment advisers which the Manager may appoint.

Quilter Goodison & Co. may act as brokers to the Fund and receive commissions for doing so. In addition, Quilter Goodison & Co., as agent for the Fund, may transact business on behalf of the Fund with or through international dealers or other entities in which it has an interest, but will do so only in accordance with the rules of The Stock Exchange.

### INCOME DISTRIBUTIONS

Although the primary objective of the Equity Funds will be to invest in securities giving capital appreciation, the Directors intend to distribute to all holders of each class of share, at annual intervals, at least 85 per cent. of the net income which accrues to the Equity Fund to which such shares relate.

Dividends may be reinvested automatically, at the request of a shareholder, in subscription of further shares of the class to which such dividends relate. Such shares would be issued on the next Subscription Day after the date on which the relevant dividends are paid at a price calculated in the same manner as for other issues of shares on that date. No sales commission will be payable on such subscriptions. Applicants wishing to use this facility should complete the appropriate part of the Application Form.



BIDS AND DEALS

Saatchi bids for Harrison Cowley

BY ALEXANDER NICOLL
Saatchi & Saatchi emerged yesterday as the bidder for Harrison Cowley, one of the UK's leading regional advertising agencies...

which could lead to a bid at 180p, lost 15p at the price yesterday. Saatchi lost 15p to 67p, valuing the company at £181.6m.
The loan stock will be convertible between 1988 and 2015 at the rate of 13.25 Saatchi shares per £100 of stock...

against £17.6m.
The companies said the proposed combined group, to be named Crawford Halls Harrison Cowley, would be among Britain's top 10 agency groups...

West Building Society and St. Level.
Saatchi, made famous by its campaigns for the Conservative Party and for advertisements such as those for British Airways...

Hyman sells large part of Readicut holding

By Ray Maughan
Readicut International, the West Yorkshire handkerchief and textiles group revealed yesterday that Mr Joe Hyman, the former chairman of the Vylella textile group, has sold the bulk of his holding in the company...

Australian offshoot of BL achieves sharp profit improvement

JRA, the Australian offshoot of BL, the UK vehicle manufacturer, saw a strong recovery in net profits for 1983 as it reaped the benefits of a healthy increase in sales and the effects of a rationalisation programme...

By running down these items and with its strong sales performance, JRA was able to repay \$15m of short-term borrowings and build a cash and deposit bank of \$27m from only \$45,000 last year. Much of this is earmarked for the August repayment of \$20m of redeemable preference capital.

Laidlaw welcomes incentive payments

THE reintroduction of incentive payments to dealers for a two month period to the end of June by Ford, the car manufacturer, was a welcome move...

Further Yule advice on Macpherson offer

BY RAY MAUGHAN
Yule Catto, the industrial chemicals, plantations and building products group, has advised its shareholders in a letter to shareholders in Desand Macpherson Group...

to the earlier bid from Becker, the Swedish paints group, but when the offer was made in favour of the latter bid from Tikkurila. Yule Catto has not lifted its terms, opting instead for strong profits and dividend growth...

profits have risen by 114 per cent on a like-for-like basis in the first four months of 1984. It also revealed the company owned plantations subsidiary has reached conditional agreement to buy a majority stake in a company owning 4,000 acres of palm which would lift Yule's plantain average by 40 per cent...

ment approvals for a housing project near Kluang in Johore have been obtained. This would add £1.5m to the group's £1.3m which would be 4.5p per existing Yule Catto share.
Finally, the proposed sale of Yule's indirect holding in Wyfar Farm through its stake in GOAL Petroleum Ltd...

Micro Fees has acquired Softwright, a software company

Micro Fees has acquired Softwright, a software company, for a total consideration of 40,000 Micro shares.
Readicut shares were unchanged yesterday at 29p.

COMPANY NEWS IN BRIEF

E. Upton and Sons, the Tessa-based department store operation, proposes to offer of par £503,885 of 10 per cent convertible unsecured loan stock to shareholders on May 21 1984.
The issue will be on the basis of £2 of stock for every seven ordinary shares or "A" ordinary shares held with effective conversion at 40p.

listing through an introduction arranged by Hambros Bank. The UK vehicle manufacturer, saw a strong recovery in net profits for 1983 as it reaped the benefits of a healthy increase in sales and the effects of a rationalisation programme...

changed at £1.96m, against £1.53m. The interim dividend is unchanged at 6.5p.
Profits included a £96,581 surplus from the sale of properties and were subject to tax of £123,604 (£138,039).

BIDS AND DEALS IN BRIEF

Pritchard Cleaners, the principal British operating company within Pritchard Group, has acquired B. A. Lester and his associates for £1.35m. B. A. Lester, together with Lester Health Care Services and Lester Security Services, has a turnover of approximately £2.5m. It currently has over 200 contracts mainly in the South East, and its operations mirror those of the Pritchard Group, covering security, hospital services and building cleaning and maintenance.

able undertakings in respect of 2,588 Bakers shares (51.56 per cent).
Mr Jim Raper's St Piran Group has increased its holding in Benjamin Priest, the Midlands engineering group, to 9.6 per cent against the 7.24 per cent stake disclosed last month. It holds 1,625,000 shares. Benjamin Priest cut its loss to £16,000 (£24,000) in the half-year ended September 30 1983, and recently announced that it would cease making standard bids.

Charterhouse Petroleum has reached agreement with the shareholders of Western Isles Petroleum Ltd, a subsidiary of Charterhouse Western Isles, through a wholly-owned subsidiary Western Isles 12 per cent working interest in UK North Sea Block 14/8. Consideration will be 180,000 Charterhouse shares and the agreement provides, as an additional consideration, for a further 250,000 Charterhouse shares if a secondary well is commenced in the block...

with Arthur Guinness and Sons, has purchased 125,000 ordinary shares in Martin The Newsagent at 34p.
Guinness and Morgan Grenfell together own or have received irrevocable undertakings in respect of 3,829,305 ordinary shares (27.4 per cent).

SHARE STAKES

Tyrell, sold 30,000 ordinary shares in United Spring and Steel Group-B. Fenwick-Smith now owns 775,000 shares (5.7 per cent).
Juliana's Holdings-N. J. Irens, a director, has sold 100,000 ordinary shares at 40p.
Morgan Grenfell, D. M. Calverley, a director, has sold 3,750 ordinary shares.

terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment if the arrangement of terms thereof (d) There is no provision in the Bye-laws requiring a Director to retire by reason of any age limit.
(e) No Director shall be allowed or amended or no new Bye-law made unless proposed at a meeting of the Directors and passed by shareholders in general meeting by a majority of not less than 75 per cent of such shareholders as are entitled to vote, vote in person or by proxy.
(f) No Director shall be allowed or amended or no new Bye-law made unless proposed at a meeting of the Directors and passed by shareholders in general meeting by a majority of not less than 75 per cent of such shareholders as are entitled to vote, vote in person or by proxy.

APPENDIX III GENERAL INFORMATION

1. The Fund was incorporated in Bermuda on 22nd May, 1984 under the Companies Act 1981 of Bermuda as amended by the Companies (Amendment) Act 1982 and 1983 of Bermuda as an open-ended investment company with limited liability.
2. The Memorandum of Association and Bye-laws comprise the constitution of the Fund.
3. The Fund is a limited liability company with limited liability.
4. The Fund is a limited liability company with limited liability.
5. The Fund is a limited liability company with limited liability.

PROCEDURE FOR APPLICATION

Application for shares must be made on the Application Form forming part of this document accompanied by a cheque or draft representing payment in full for the shares being applied for unless payment is being made separately by direct debit. The minimum subscription for each applicant is 2,500 shares in respect of each class of shares.
Applications should be sent either to:
The Bank of Bermuda (Guernsey) Limited,
Bermuda House, 31/45 Gresham Street,
London EC2V 7LH
or to:
The Bank of Bermuda (Guernsey) Limited,
Bermuda House, 31/45 Gresham Street,
London EC2V 7LH

APPLICATION FORM QUADRANT INTERCONTINENTAL FUND LIMITED

When completed, this form should be sent Limited for amount £ and to:
Quilter Goodson & Co.,
Garrard House, 31/45 Gresham Street,
London EC2V 7LH
or to:
The Bank of Bermuda (Guernsey) Limited,
Bermuda House, 31/45 Gresham Street,
London EC2V 7LH
This form should be accompanied with the remittance for the amount payable on application, unless this has been sent separately by telegraphic transfer.
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1 I/We hereby offer to subscribe for:
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(a) I confirm that:
(a) I am not a United States person (as defined in the Prospectus).
(b) I am a United States person but am applying as nominee of a person who is not a United States person and who is not acting directly or indirectly on behalf of a United States person.
(c) None of us is a United States person.
(d) One or more of us is/are United States person(s) but we are applying as nominees of a person who is not a United States person and who is not acting directly or indirectly for or on behalf of a United States person.
In the case of joint applicants, delete either (a) or (b) and (c) or (d) above.
(b) I/We confirm that payment of US\$ has been made by telegraphic transfer to bank and city; see Note 5 below.
(c) I/We herewith enclose a cheque/draft in favour of The Bank of Bermuda (Guernsey) Limited.
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In the case of an Application Form sent to The Bank of Bermuda (Guernsey) Limited, by telegraphic transfer, the Application Form should be accompanied by a cheque or draft in favour of The Bank of Bermuda (Guernsey) Limited which should be sent to the correspondent banks listed in the Notes to the Prospectus.
NOTES
1 The minimum initial subscription for shares of each class is 2,500 shares.
2 A confirmation note will be sent upon acceptance of this application.
3 Share certificates will be mailed at the risk of the person(s) completing this form, and if there is more than one applicant, will be mailed to the address shown above of the first named applicant.
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5 Payment in dollars by telegraphic transfer can be made in either of the correspondent banks listed below.



UK COMPANY NEWS

Tunstall surges to £1.3m at midway

NEARLY AS much profit was earned by Tunstall Telecom Group in the six months to end-March 1984 as was achieved in the whole of the last full year.

Taxable profits for the period amounted to £1.29m and compare with £978,000 for the corresponding period and £1.39m for the 1982-83 year.

The results were achieved on turnover of £5.48m, against £3.14m, and including interest receivable of £62,000 (net interest payable £28,000).

Good beer sales lift Bass to £84m

CONTINUED GROWTH in the company's beer sales and an increase in market share helped lift turnover of Bass, brewer, by 10% to £1.11bn while pre-tax profits for the 26 weeks ended April 7, 1984 expanded by £21.9m to £24.4m.

HIGHLIGHTS

Lex looks at the half time figures from Bass where marginal volume gains have produced all, and more, of the profit advances being for on the back of the 1982-83 rationalisation measures.

Mr Derek Palmer, chairman, said later that the trend towards lighter beer "seems to be continuing all the time."

He added that about 44 per cent of the group's total beer production was new lager, up 4 per cent on last year.

Trading profits for the 26 weeks amounted to £34.5m, compared with £28.5m and was split as to brewing, drinks and pub retailing £28.2m (£70.4m) and leisure £6.2m (£22.1m).

Mr Palmer stated that the group could be interested in expanding its leisure activities in the UK through the acquisition of a company with the same sort of profile as Ladbroke's.

Earnings per 25p share are given as 16.2p, compared with 12.4p and the interim dividend is increased from 2.95p to 3.3p.

Avon rises to £1.31m and doubles payout to 2p

THE directors of Avon Rubber, tyres and related products and industrial polymers manufacturer, are doubling the interim dividend to 2p on the back of a boost in taxable profits from £279,000 to £1.31m.

Mr Robert Moss, chairman, said that the company's results for the six months to end March 31, 1984, were a marked improvement on those achieved in the corresponding period of 1983.

Comment: The purchase of United Medical Enterprises has brought a dramatic change at London and Northern, moving a rather stagnant construction group into a rapidly expanding sector.

Boots soars £25m and reveals plans for further growth

MAINTAINED growth through the second half enabled Boots to lift its pre-tax profits by £25m (up 11% per cent) to £166.1m for the full 12 months to end-March.

The industrial activities, which include pharmaceuticals, added £6.1m more to £60.5m but the associates' contribution fell from £8.5m to £1.8m.

Comment: The purchase of United Medical Enterprises has brought a dramatic change at London and Northern, moving a rather stagnant construction group into a rapidly expanding sector.

London & Northern hits record £15.5m

PROFITS before tax of the London and Northern Group rose from £9.51m to £15.51m in 1983 and trading in the current year is described as "satisfactory."

Mr M. J. Dawson, the chairman, says the interim results are "very satisfactory" and the order book is being maintained at a high level.

Building products and oil support services. Tax accounted for £3.77m (£3.67m) and after minorities of £801,000 (£845,000) available profits emerged at £9.13m, against £5.79m.

Comment: The purchase of United Medical Enterprises has brought a dramatic change at London and Northern, moving a rather stagnant construction group into a rapidly expanding sector.

Profits from £3.51m to £4.08m and in their interim report the directors expected second half figures of the enlarged group to show further improvement.

Comment: The purchase of United Medical Enterprises has brought a dramatic change at London and Northern, moving a rather stagnant construction group into a rapidly expanding sector.

Bemrose warns of short-term profit setback

MR DAVID WIGGLESWORTH, chief executive of Bemrose Corporation, the specialist packaging and printing concern, warned holders of the AGM that two unexpected and non-recurring matters would adversely affect profits in the first half of the current year by some 10.7%.

Technology computer and laser equipment and drum printers were inevitable variations in demand in the various sectors of printing and packaging served by the company.

Comment: The purchase of United Medical Enterprises has brought a dramatic change at London and Northern, moving a rather stagnant construction group into a rapidly expanding sector.

Dividend Announced

Table with 5 columns: Company Name, Current payment, Date of payment, Corresponding for last year, Total last year. Lists dividends for Allied Irish, Avon Rubber, Bass, Boots, Bickley's Brewery, Delya, Walter Duncan, Enury, Irish Distillers, Jersey General, London & Northern, Redfearn Glass, Robert Moss, Senmah Rubber, TR Property, Tunstall Telecom, Whitbread Inv.

Advertisement for London and Northern, featuring four sections: Healthcare, Construction, Building supplies, and Energy. Each section includes an illustration and descriptive text.

Advertisement for Mercantile and General Reinsurance. Features the headline "Some signs of an improving climate for reinsurers" and "Salient points from Mr. D.M.C. Donald's Report for 1983". Includes a summary of group results table and contact information.

TECHNOLOGY

EDITED BY ALAN CAINE

REORGANISATION OF SAAB SCANIA'S SMALL TECH COMPANIES

Combined skills for future growth

BY ELAINE WILLIAMS RECENTLY IN JONKOPING, SWEDEN

TECHNICAL excellence is the one thread which holds the Saab Scania Combitech group together. It was formed about 18 months ago when the international car and aerospace company split off its relatively small advanced engineering and design companies into one group.

Saab Scania felt that entrepreneurial side of small business could flourish by giving individuals more responsibility. Mr Per Risberg, managing director of the newly formed Combitech group, said: "We have a lot of small businesses within the Combitech group. If we think of Saab Scania as a whole, it represents a minority interest." Combitech is, however, in a number of market segments such as industrial automation where growth is likely to boom over the next few years.

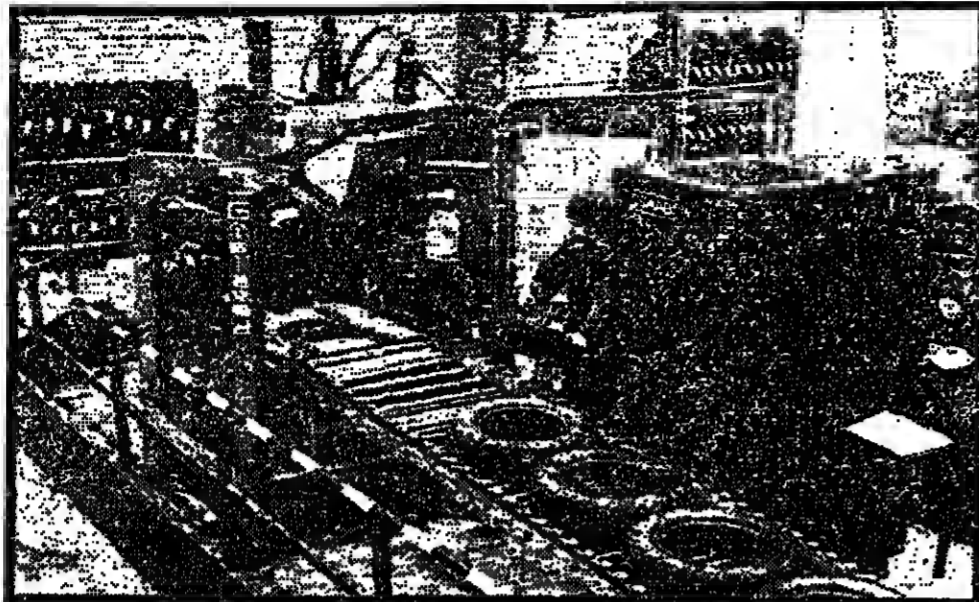
The 18 businesses within the Combitech group account for about US\$90m sales and \$7.5m profit last year. In 1984 the company hopes that sales will rise by nearly 25 per cent to \$130m and profits up to \$9m. The Saab Scania group as a whole has a turnover of about SKr 200m with 40,000 employees worldwide.

Each individual business is niche-oriented but all have the common theme in that they apply a combination of specialist techniques such as optics, hydraulics, electronics and computing to a particular problem.

In fact the Combitech group does not have a central research organisation; specialists work in individual companies and are encouraged to exchange ideas within the group. To help this, the company has employed Mr Christer Aderstedt, a technology transfer manager. His full-time job is to make Combitech companies aware of each other's know-how, give lectures and form research links with universities. Technical papers are published in an internal magazine and workers are encouraged to prepare them.

Mr Risberg commented: "It is a drastic move not to have a central research department and no large-scale laboratories. But we could not cope with a centralised solution." Of the 1,750 employees within the group more than half are engineers of one kind or another.

Managing directors of the



Gislaved has improved the quality and consistency of its stud insertion with an automated machine using vision to detect the presence of a hole

companies — the smallest of which employs only 50 people — may also be actively involved in the research and development of new products and are given a chance to develop the market in their own way. Funds for research are generated by sales. About 60 per cent of the business is military contracts such as in weapon training systems based on laser technology produced by Saab Training Systems, for example.

Combitech, however, is intent on building up its industrial business and will try to attack the rapidly growing automation market. Mr Aderstedt said that it was important that engineers who develop such systems are close to the customers which was another reason why the company has no central research.

Optics is an important area of expertise which is applied in many of the 18 companies. Combitech has a vision system based on this area of research. It costs about £8,000 which makes it a very price-competitive system in the industrial market.

Flexible manufacturing covers an enormous range of applications which include optical systems. This business is handled by Saab Automation the largest company in the

group. One of Saab Automation's most complex and difficult jobs was to develop an automatic way of inserting studs into tyres for Gislaved, a Swedish manufacturer. The main problem was that stud holes are not placed at a uniform distance from each other. This is to prevent resonance when the wheels are in motion.

Engineers developed a vision system which could detect each hole which is no easy feat when one considers that the camera is searching for a black hole in a black tyre. The tyre is slowly rotated to find for each hole in its unique position, and then presented to the stud insertion machine. There may be up to 60 studs in each tyre which can be inserted at a rate of about one a second.

Another large job was automatic bin routing at the Swedish Post Office's letter sorting office at Tomtebodan in Stockholm. Each bin carries letters and parcels for one destination and is marked with a bar code—a system of vertical black and white stripes which can be converted into computer digits.

Some 35 visual readers placed on the moving conveyor read and direct 2,000 bins a day. There are more than 180

locations within the country which Tomtebodan sorts. This system avoids the need to type in the post code by hand on each letter. It has been operating since October last year and similar systems may be installed throughout Sweden.

In a West German steel plant, Combitech engineers have built a system which automatically analyses blemishes in rolled steel. As the steel sheets move across the conveyor sections are heated by induced electromagnetism. An overhead infra-red sensor can detect variations in the heat pattern which indicate a fault. The sensor system then guides a colour jet to mark the position of the fault.

Mr Jörgen Lindgren, managing director of Saab Automation, says that flexible manufacturing systems are not just for saving labour costs, they can have an influence on the overall balance sheet by reducing stock levels and reducing production time. Mr Lindgren said that in some applications, customers had reduced throughput time from six weeks to one week for certain products. Such business is growing at a rate of about 40 per cent a year. "We are just skimming the surface of this," Mr Lindgren commented.

UK BOILER COMPANY DEVELOPS IMPROVED SYSTEM

Burning gas more efficiently

DR JIM THURBY decided to leave the Glywed group after its reorganisation and set up a new company to develop and sell more efficient boilers for use in the home.

With some of his own money, a £750,000 start-up grant from the government and a further £50,000 from the British Technology Group, Trisave started operation last October.

Trisave sells a condensing gas boiler which is about 92 per cent efficient. This compares with about 75 per cent for conventional free standing and wall mounted versions. It works by removing the heat from flue gases inside the boiler before expelling them. This means that waste flue gases leave the boiler at a temperature of 50 deg C instead of 250 deg C. It uses the heat exchanger principle.

Also when the boiler finishes its heating cycle all the heat is removed from the heat exchanger so that it will begin in the condensing cycle on start up so losing little or no efficiency during this period.

These boilers are recommended for the larger three to five bedroom houses as they cost about £200 more than conventional ones. However, once the company's sales and production has built up the price will be more closer to existing systems. In such large homes, Trisave says that between 20 and 25 per cent of the total central heating bill can be saved or about £80 a year less in heating costs.

It is the only condensing boiler in the UK which has been approved by British Gas and is sold through some of the regional gas boards. Condensing boiler designs were pioneered in France and the Netherlands in the late 1970s. The Dutch government even provides a substantial grant to homes which install more efficient boilers because of the concern about conserving gas reserves.

Trisave worked closely with the Combined Technology Cor-

poration, based in London, to improve the boiler design. In September it hopes to launch a wall unit gas boiler at a cost competitive with existing mounted boilers and of higher efficiency.

Some 580,000 boilers are sold in the UK every year by manufacturers such as Tube Investments, Thorn Powertron and Stelrad. Of this about one quarter are for the larger homes. Dr Thurby said that the company was hoping to gain 3 to 4 per cent of the market. If sufficient volume sales are achieved, Trisave will set up a new factory instead of subcontracting the work to other companies.

One of Dr Thurby's concerns is that the company will get a name for quality and each boiler is individually tested before it gets to the installer. Here again, Trisave hopes to be selective in supplying boilers to installing engineers of which there are more than 9,500 listed in the UK.

ELAINE WILLIAMS

ENGINEER FINDS WAY TO CUT PAPER-MAKING COSTS

Jet fluffs pulp for energy saving

RAGNAR EK has spent more than four years developing a way to save the pulp and paper industry money while increasing the quality of the finished paper.

His idea was to use a gas jet to "fluff" or shred pulp instead of using mechanical equipment which is based on a rotary press. The jet fluff does away with moving mechanical parts.

The paper industry uses this shredding process because most export paper in the form of pulp from which most of the water

has been removed. It is cheaper and lighter to transport in this form. Then water is added and paper produced. Mr Ek found that with his jet system fibres produced fewer "knots" compared with the mechanical system. Such imperfections reduce the overall quality of the final product.

The jet is used after an initial gentle pressing of the pulp to remove some water. A full-scale version of the jet fluff has been installed by Mr Ek and his partner at a pulp mill in Norrland in the north of

Sweden. Results are very encouraging and initial tests have shown that the paper mill is likely to save SKr 1m in energy costs.

Before setting up his own Ragner Ek worked in Stockholm with the paper industry's own research institute where he formulated the idea for the jet system. In Sweden it is possible to get Government funding for a good idea and other companies such as Svenska Cellulosa and A/S Niro Atomizer provided additional technical and financial support.

SECURITY EQUIPMENT

Microprocessors keep a watchful eye

SECURITY EQUIPMENT company Mumford and White of Richmond believes it is the first to make use of an uncommitted logic array (ULA) in a system control panel.

These control panels allow the user to set and operate protection systems containing such things as window and door contacts, pressure mats, infra-red detectors and other sensors.

The company's professional models use microprocessors

programmed at the factory to the customer's requirements. But for a lower cost model the company is supplying a Controller of Nelson, Lancs, for a "do it yourself" house protection kit, a ULA from Smiths Industries is being used.

Development manager Mr M. Bone says that apart from yielding a very good performance/cost ratio, use of the ULA also makes the design much more difficult to copy. There is no vulnerable software in

memory that can be stolen. The chip is programmed by cutting certain physical links at the factory.

The "Housewatch" security system runs from the mains but has a standby battery in case of a power cut. The company checks a logic array from Micro Circuit Engineering of Tewkesbury to take advantage of CMOS circuitry with its corresponding low power consumption, giving extended battery operation. More on 01-940 8554.

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Components  
**Chip controller**

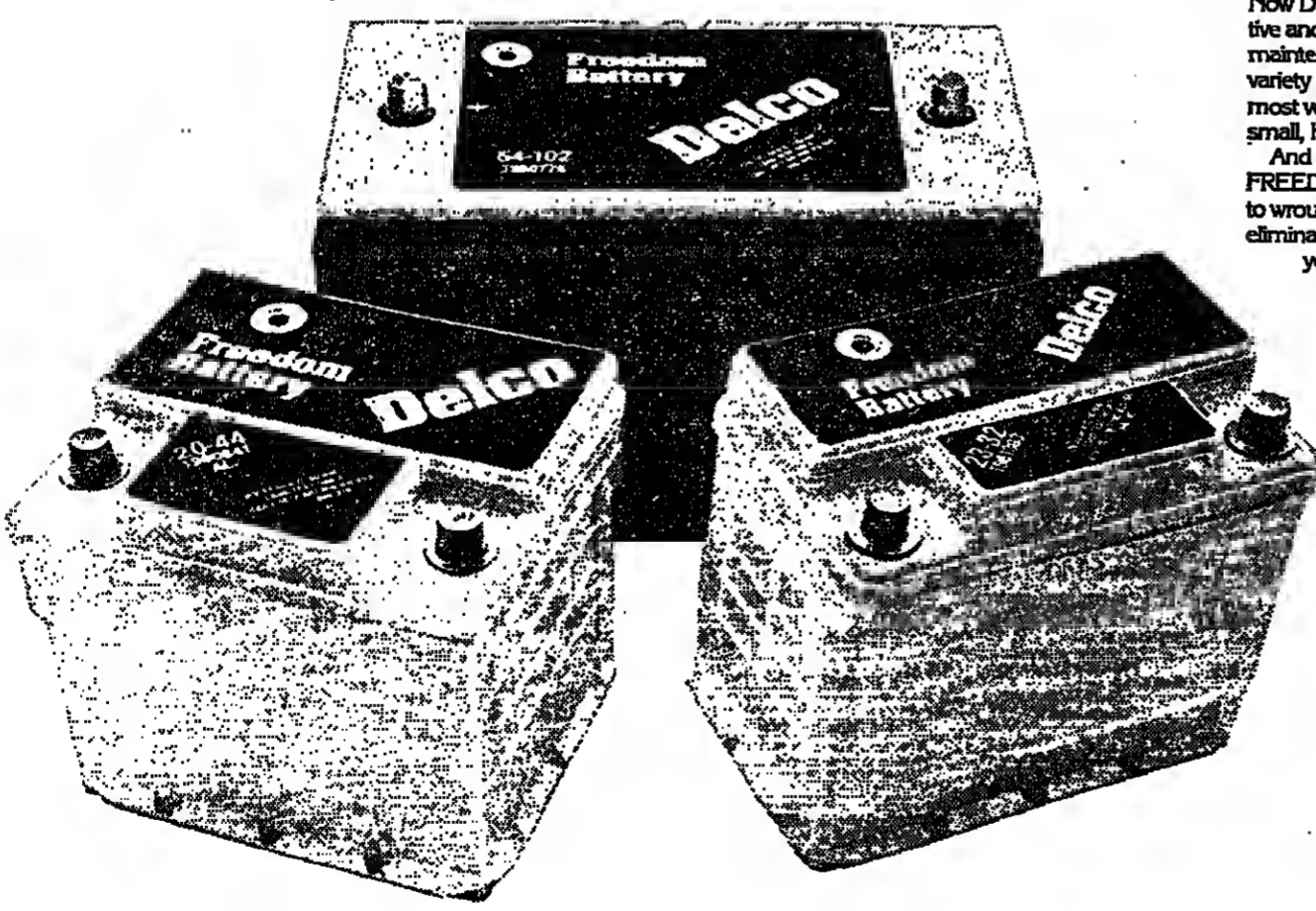
SINGLE chip controller applications are the main functions of a new eight bit chip from Hitachi. Called the HD33070 it contains 8k bytes of read only memory, 256 bytes of random access memory, 55 input/output lines, two times and a communications interface on a single chip. It has more than 33,000 transistors which makes it a very complex component. More details from the company in the UK on 01-681 1414.

Information  
**Swiss videotex**

A SWISS public videotex system has started. It was developed by IIT's subsidiary, Standard Telephone and Radio for the Swiss telephone administration. Videotex has been under trials in the country since 1979. Three thousand subscribers are being chosen for the first public trials at Bern which offer information in French, German and Italian.

Environment  
**Flood research**

THE BRITISH Hydro-mechanics Research Association at Cranfield in Bedford is to hold an international conference on floods and flood control at the end of September. The conference will deal mainly with ways of developing models to investigate flooding and its prevention. More details from the BHRA on 0234 750422.



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SECTION III - INTERNATIONAL MARKETS

FINANCIAL TIMES

Thursday May 24 1984

NEW YORK STOCK EXCHANGE 40-42
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WALL STREET

Confidence restrained at lower level

RENEWED firmness in short-term interest rates subdued New York's financial markets yesterday. There was further selling of leading stocks at first but the market then settled down to trade around its newly depressed levels...

Interest focussed around a batch of special situations. The Dow Jones industrial average closed 2.82 down at 1,113.80.

There was further active trading in stock of Continental Illinois, with the price dipping an early 5/8 to a new low of \$8 as the search for a merger partner continued.

Esmark continued to trade strongly, adding a further \$1 to \$57 1/2 with Wall Street hopes of a bid battle encouraged by lukewarm endorsement by the Esmark board of the \$56 a share offer from...

The closing Wall Street report, updated U.S. market monitors and late Canadian prices were unavailable because of continuing industrial action at the Financial Times' printers in Frankfurt.

Beatrice Foods. "In the absence of anything else happening, we are going to be acquired by Beatrice," said an Esmark vice-president.

Another snub for Beatrice came from Standard & Poor's, the debt rating agency, which put the food group on "negative credit watch" after reviewing the implications of the \$1bn Esmark debt should Beatrice succeed in its \$2.5bn takeover bid. At \$28 1/2, Beatrice dipped 5%.

Enstar, which has interests in natural gas in Indonesia, shaded down 3/4 to \$17 1/2, in line with the \$18 a share offered for 54 per cent of the equity by Allied of the U.S. and Ultramar of the UK.

But the star of the takeover sector was Walt Disney, which jumped 1 1/4 to \$84 1/2 as the market pinned its faith on a possible bid move from Reliance Hold-

ings, which already has a significant stake. Despite the fall in Tokyo, Japanese issues improved on Wall Street, led by Kyocera \$4 1/4 up at \$50 1/2, and Matsushita, \$2 1/2 higher at \$73 1/2.

Among the U.S. industrial stocks, IBM gained 5/8 to \$108 1/2. General Motors \$4 to \$82 1/2. Ford \$ 1/2 to \$33 1/2, and Honeywell \$ 1/2 to \$50 1/2.

Stock in Standard Oil of Indiana, which is to buy in up to 10.3 per cent of its equity over an undisclosed period, eased 5/4 to \$58 1/2. Investors were disappointed that there was no sign of immediate purchases.

Short-term rates slackened in the wake of the statement on Continental Illinois' borrowings. In the Treasury bill market, which also faced a sale of \$4bn in new bills late in the session, three-month discounts dipped 12 basis points to 12.88 per cent and the six-month 5 basis points to 10.44 per cent.

The auction resulted in average yields of 9.95 per cent on the tranche of 77-day bills and 10.51 per cent on the 188-day bills.

The bond market rallied from mid-session weakness to show minor falls. The key long bond at 98 1/2 was 1/4 down.

LONDON

Sentiment remains sensitive

TRADING conditions in London stock markets remained extremely sensitive yesterday, with sentiment again marred by the miners' dispute and doubts about UK economic prospects. As a result, equities met a further wave of nervous selling.

The FT Industrial Ordinary index closed 8.7 lower at 847.6 for a two-day fall of 28.6. Several large lines of stock came on offer, mainly in the electrical leaders.

Plessey fell to 199p before settling 4p down at 206p amid suggestions that it might bid for British Aerospace, currently in merger discussions with Thorn EMI.

Gilt-edged securities traded on a slightly steadier note before settling a fraction lower on balance.

Chief price changes, Page 42; Details, Page 43; Share information service, Pages 44-45

TOKYO

Hold on five figures just retained

AN INCREASINGLY cautious mood developed in Tokyo yesterday in the wake of the continued drop on Wall Street, and stock prices declined almost across the board, writes Shigeo Nishiwaki of Niji Press.

The Nikkei-Dow Jones average of 225 select issues tumbled below the 10,000 mark immediately after the opening and stayed there until shortly before the close, when leading investment trusts started buying some blue chips. The indicator, which had lost more than 110 at one stage, scraped over the bar to finish at 10,023.46, down 38.48.

Losses outpaced gains 442 to 229, with 142 shares unchanged. Transactions continued low at 246.26m shares compared with 231.38m.

Wall Street's decline to another record low for the year led investors to sell, notably paper-pulps, non-ferrous metals, electricals and steels, in small lots. The downturn halted late in the afternoon session as the big investment trusts each purchased an estimated 1m blue chips.

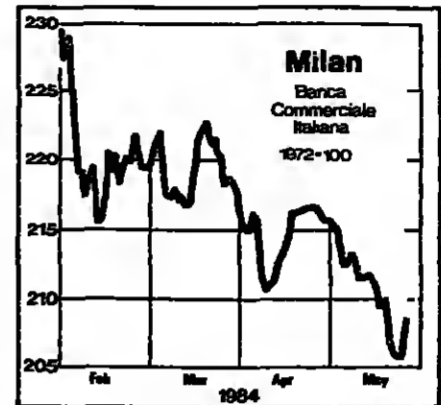
Kyocera, which shed Y100 the previous day, staged a steep Y330 rally to Y5,890, while Pioneer jumped Y100 to Y2,690 after losing Y60 the previous day. The investment trusts also sought Ajinomoto, Y40 ahead at Y1,090, and Green Cross, although it ended that much lower at Y1,730.

They said the issues had reached trough zones, but some observers saw the purchases as a bid to prevent the market indicator from finishing below the 10,000 barrier and further dampening sentiment.

Teac plummeted a further Y100 to Y800 under heavy selling pressure. In contrast, Asahi Chemical attracted buy orders on speculation that the company would shortly start clinical experiments for tumour necrosis factor, a possible anti-cancer agent. It closed at Y579, up Y4, and headed the actives list on 20.35m shares.

Non-residents continued selling, placing sell orders for 39m shares with the big four securities houses in the morning, against buy orders for 8.5m.

Trading was slow on the bond market. Financial institutions slightly stepped up both selling and buying in view of a minor rally in the yen against the U.S. dollar, but remained staked by concern about U.S. interest rate movements. The yield on 7.5 per cent government bonds due in January 1985 rose from 7.375 per cent the previous day to 7.40 per cent.



EUROPE

Bears still much in evidence

THE BEARS continued to prowl on European bourses yesterday, leaving Italy the only market to resist a downward drift which finally snared West Germany after two days of resistance.

An active technical rally in Milan helped erase some of the losses incurred earlier in the week as the Banca Commerciale index gained 2.81 to 208.70. Unofficial after-bourse trading consolidated many gains with insurer RAS prominent, in a generally higher insurance sector, with a 1.900 rise to L49,100. General rose L1,300 to L35,490.

Holding companies were active with Bastogi advancing Li8.4 to Li28.6 after

trimming its losses last year and La Centrale, a possible takeover target, surrendering Li15 to Li2,150.

Among industrials, Fiat moved Li9 up to Li4,129 but Olivetti slipped Li35 to Li5,115.

Bonds closed mixed in active trading. Dull Frankfurt trading had most investors on the sidelines ahead of today's negotiations on the 35-hour work week. The Commerzbank index dropped 4 points to 1,015.8 as most blue chips sustained small losses. Good trading results, however, proved an antidote to the malaise.

Daimler's 5 per cent rise in first-quarter turnover was sufficient to merit a 50 pig rise to DM 572.50 in a generally unchanged motor sector. Porsche finished DM 11 down at DM 1,019 while BMW was DM 2.80 cheaper at DM 383.70.

Bonds traded quietly with price changes of about 10 basis points either way. The Bundesbank sold DM 24.5m of public paper after Tuesday's sales of DM 36.5m.

The lower overnight Wall Street performance and concern over developments in the Gulf hit Amsterdam with internationals again proving vulnerable.

KLM hit a new low for the year with a F1 2.60 loss to F1 162.90, while Akzo shed F1 1.80 to F1 94.

Elsewhere, Heineken dropped F1 2.50 to F1 128.50 amid plans to take a stake in a Spanish brewery.

Bonds finished mainly unchanged in featureless trading.

Disappointing economic indicators left Paris narrowly mixed despite the start of the new monthly trading account when prices traditionally benefit from investors establishing new positions.

Weaker issues numbered Bouygues, FFR 5 off at FFR 663 as it announced that it would not proceed with the takeover of Amrep, which was again suspended. Amrep closed on Tuesday at FFR 111.

Weaker banks turned Zurich lower again. Bank Leu dropped SwFr 60 to SwFr 3,900 and Swiss Bank SwFr 7 to SwFr 348. Insurer Winterthur retreated SwFr 20 to SwFr 3,000 on its earnings report for 1983.

Industrials were little changed. Bonds declined on interest rate worries.

A trendless Brussels left shares mixed, while steels and chemicals were firm in an otherwise lower Madrid.

Stockholm staged a broad retreat with Volvo hard hit by a SKr 23 fall to SKr 466.

KEY MARKET MONITORS

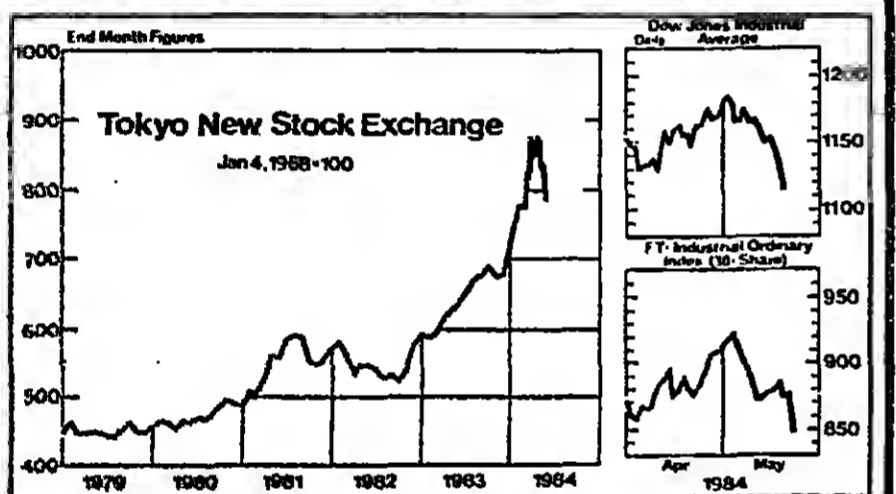


Table with multiple sections: STOCK MARKET INDICES (New York, London, Tokyo, Australia, Austria, Belgium, Canada, Denmark, France, West Germany, Hong Kong, Italy, Netherlands, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, World), CURRENCIES (U.S. Dollar, Sterling, Euro-currencies, U.S. Fed Funds, U.S. 3-month T-bills), INTEREST RATES (Euro-currencies, U.S. Bonds), FINANCIAL FUTURES (Chicago, U.S. Treasury Bills, Certificates of Deposit), and COMMODITIES.

AUSTRALIA

THE DOWNWARD spiral continued in Sydney as industrialists took their turn to suffer the brunt of the selling. The All Ordinaries index slid 6.2 more to 694.4, below the 700 mark for the first time since early November.

Among the few firm spots was market leader BHP, which rallied 10 cents to AS9.80 after Tuesday's 50-cent fall. Bougainville Copper edged up 2 cents to AS2.23, but golds and many energy issues lost ground.

Mr Rupert Murdoch's News Corporation lost 30 cents at AS9.30, while 10-cent setbacks were common to ANZ Bank at AS5.52 and retailer Coles at AS3.65.

HONG KONG

A NARROWLY mixed Hong Kong result featured scattered institutional selling, and an 11.62 dip in the Hang Seng index at 912.15, but also decent gains in some leading issues to build on Tuesday's resurgence.

The half-day session left Cheung Kong 10 cents off at HK\$8.20 and Jardine Matheson down 25 cents at HK\$8.80.

SINGAPORE

BUYING support remained elusive in Singapore, but sellers did not re-emerge in any great numbers, and the Straits Times industrial index settled 3.60 lower at 928.57.

Tuan Sing Holdings rose to head the actives list, but finished unaltered at 82 cents. It was followed in volume by Faber Merlin, 1 cent stronger at S\$1.73, and Promet, off 10 cents to S\$2.70.

Malayan Banking was a weak spot with a 25-cent fall at S\$8.35 but OCBG firmed 5 cents at S\$9.70, as did Straits Trading at S\$5.70.

SOUTH AFRICA

LOSSES among Johannesburg golds continued but were no longer uniform, with isolated issues such as Randfontein managing a R1.50 rise at R167.50. Miere in line with the trend, though, was a R3 fall in Hartbeestfontein at R166.

Amid late news that Anglo-American had taken another 35 per cent in Gold Fields of SA, shares in both mining houses fell 30 cents to R21.70 and 30 cents to R27.50 respectively. Barlow Rand, a 5.2 per cent stake in which was exchanged for the GFSM holding under a swap deal with the Old Mutual insurer, firmed 20 cents to R14.30.

CANADA

GOLD issues led Toronto lower, but property issues were also marked down sharply. The energy sector followed, but base metals and minerals held up somewhat better.

Utilities both there and in Montreal fared poorly, while the more westerly centre showed slightly better support for banks than for the industrial side.

Advertisement for Grindlay Henderson International Currency Fund Ltd. featuring the text: 'How to make a solid investment in shifting international currencies. 11.60% growth in nine months. The Grindlay Henderson International Currency Fund which is listed on the London Stock Exchange, was re-launched on the 18th July, 1983. By 19th April, 1984, our internal figures (offer to offer) showed a very healthy growth of 11.60% in the price of the Managed Accumulation shares.'

# NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	Low	Stock	Dr. Yld.	P/E	100s	High	Low	12 Month High	Low	Stock	Dr. Yld.	P/E	100s	High	Low	12 Month High	Low	Stock	Dr. Yld.	P/E	100s	High	Low
137.00	136.00	AA	44.25	77	100	137.00	136.00	137.00	136.00	AA	44.25	77	100	137.00	136.00	137.00	136.00	AA	44.25	77	100	137.00	136.00
136.00	135.00	ABC	140.27	100	100	136.00	135.00	136.00	135.00	ABC	140.27	100	100	136.00	135.00	136.00	135.00	ABC	140.27	100	100	136.00	135.00
135.00	134.00	DEF	120.15	85	100	135.00	134.00	135.00	134.00	DEF	120.15	85	100	135.00	134.00	135.00	134.00	DEF	120.15	85	100	135.00	134.00
134.00	133.00	GHI	110.30	70	100	134.00	133.00	134.00	133.00	GHI	110.30	70	100	134.00	133.00	134.00	133.00	GHI	110.30	70	100	134.00	133.00
133.00	132.00	JKL	95.40	60	100	133.00	132.00	133.00	132.00	JKL	95.40	60	100	133.00	132.00	133.00	132.00	JKL	95.40	60	100	133.00	132.00
132.00	131.00	MNO	80.50	50	100	132.00	131.00	132.00	131.00	MNO	80.50	50	100	132.00	131.00	132.00	131.00	MNO	80.50	50	100	132.00	131.00
131.00	130.00	PQR	65.60	40	100	131.00	130.00	131.00	130.00	PQR	65.60	40	100	131.00	130.00	131.00	130.00	PQR	65.60	40	100	131.00	130.00
130.00	129.00	STU	50.70	30	100	130.00	129.00	130.00	129.00	STU	50.70	30	100	130.00	129.00	130.00	129.00	STU	50.70	30	100	130.00	129.00
129.00	128.00	VWX	35.80	20	100	129.00	128.00	129.00	128.00	VWX	35.80	20	100	129.00	128.00	129.00	128.00	VWX	35.80	20	100	129.00	128.00
128.00	127.00	YZA	20.90	10	100	128.00	127.00	128.00	127.00	YZA	20.90	10	100	128.00	127.00	128.00	127.00	YZA	20.90	10	100	128.00	127.00
127.00	126.00	BCD	10.00	5	100	127.00	126.00	127.00	126.00	BCD	10.00	5	100	127.00	126.00	127.00	126.00	BCD	10.00	5	100	127.00	126.00

Continued on Page 41

مركز الصناديق



AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

Table of American Stock Exchange Composite Closing Prices, organized by stock group (A-Z) with columns for 12-month high/low, stock name, price, and change.

Continued on Page 42

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Table of New York Stock Exchange Composite Closing Prices, organized by stock group (A-Z) with columns for 12-month high/low, stock name, price, and change.

Notes: Figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest occurrence.

ENERGY REVIEW every Wednesday in the Financial Times

WORLD STOCK MARKETS

Table of world stock markets including Austria, Germany, Norway, Australia, Japan, and others. Columns include country, date, price, and change.

OVER-THE-COUNTER

Table of over-the-counter market prices for various stocks, including sales, high, low, and change.

LONDON

Table of London market prices, including chief price changes and rises/falls.

CANADA

Table of Canadian stock market prices, including Toronto and Montreal markets.

NEW YORK-DOW JONES

Table of New York-Dow Jones stock market indices.

INDICES

Table of various stock market indices and their performance.

AMERICAN STOCK EXCHANGE CLOSING PRICES

Table of American stock exchange closing prices for various stocks.

NEW YORK ACTIVE STOCKS

Table of New York active stocks and their closing prices.

Handwritten text at the bottom of the page.

LONDON STOCK EXCHANGE

MARKET REPORT

RECENT ISSUES

Equity markets close above worst but tone remains sensitive—index down 8.7 at 847.6

EQUITIES

Table of recent issues with columns for issue name, price, and other financial details.

FIXED INTEREST STOCKS

Table of fixed interest stocks with columns for issue name, price, and other financial details.

"RIGHTS" OFFERS

Table of rights offers with columns for issue name, price, and other financial details.

RISES AND FALLS YESTERDAY

Table showing rises and falls in stock prices from the previous day.

OPTIONS

Table of options with columns for option name, price, and other financial details.

LONDON TRADED OPTIONS

Table of London traded options with columns for option name, price, and other financial details.

FINANCIAL TIMES STOCK INDICES

Table of financial times stock indices with columns for index name and value.

HIGHS AND LOWS

Table of high and low stock prices with columns for high and low values.

S.E. ACTIVITY

Table of S.E. activity with columns for activity name and value.

Account Dealing Dates

Table of account dealing dates with columns for date and description.

Trading conditions in London

Trading conditions in London stock markets remained extremely sensitive. Investment sentiment was again marred by the miners' dispute and by doubts about UK economic prospects.

Among the index constituents

Among the index constituents, Plessey fell in 1989 before settling 4 down on the day at 206p amid suggestions that the company may bid for British Aerospace, currently in merger discussions with Thorn EMI.

Bank of Ireland fall

The Clearers held up reasonably well through US banking troubles, although US dollar weakness led to a fall in shares, partly reflecting a fall in spot prices, remained in particularly weak sector.

Racial decline

Reports of a large line of stock on offer depressed Racial, which dropped to 230p at one stage before closing a net 5 down on the day at 225p.

received a fillip from the news and finished with modest gains for the day. Withbread, which revealed encouraging annual results on Tuesday, hardened a penny to 160p after 160p, while andrewsons, expected to announce preliminary figures next Tuesday, rose a couple of pence to 164p.

A modest technical rally in the Building sector failed to hold and prices swung back sharply on the first signs of fresh selling. BPS Industries closed a net 10 down at 306p, while BICC, 422p, and Tarmac, 486p shed 4 apiece.

Elsewhere, Crysalite dived 19 to 253p, after 245p, following a "sell" recommendation, while Bownthorpe declined 10 to 260p and Electrocomponents 7 to 313p.

Most leading Foods gave ground on light selling and lack of support. Cadbury Schweppes shed 4 to 129p and Tate and Lyle lost 7 in a 1984 low of 366p.

Elsewhere, Crysalite dived 19 to 253p, after 245p, following a "sell" recommendation, while Bownthorpe declined 10 to 260p and Electrocomponents 7 to 313p.

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Reports of a large line of stock on offer depressed Racial, which dropped to 230p at one stage before closing a net 5 down on the day at 225p.

Mackintosh continued to trade

Mackintosh continued to trade briskly on takeover speculation and touched 266p prior to closing without alteration at 259p.

Profit-taking in the wake of the half-yearly results left holders to casinos concern Stakis 5 cheaper at 113p.

Hanson Trust rise

Hanson Trust provided a firm contrast among the miscellaneous industrial leaders, rising sharply to touch 237p before closing 5 higher on the day at 229p.

Recent high-flyer Petrolon encountered profit-taking and fell 35 to 575p, after 570p.

Gold down again

South African Gold remained devoid of buying interest and did little more than drift

EUROPEAN OPTIONS EXCHANGE

Table of European options exchange with columns for series, vol, and price.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table of FT-Actuaries share indices with columns for equity groups, sub-sections, and values.

FIXED INTEREST

Table of fixed interest with columns for price, yield, and other financial details.

of 30 years. High and low rates, base rates, exact and convenient changes are published in Saturday issues. A list of contributors is available from the Publishers, the Financial Times, 1, Broad Street, London, EC4A 3DF, price 15p, plus post.



Japan 1980

Financial Times Thursday May 24 1984

INDUSTRIALS—Continued

Table of industrial stocks including companies like British Airways, British Petroleum, and various manufacturing firms. Columns include stock name, price, and other financial metrics.

LEISURE—Continued

Table of leisure-related stocks such as British Airways, British Petroleum, and various manufacturing firms. Columns include stock name, price, and other financial metrics.

PROPERTY—Continued

Table of property-related stocks including various real estate and construction companies. Columns include stock name, price, and other financial metrics.

INVESTMENT TRUSTS—Cont.

Table of investment trusts offering various asset classes. Columns include trust name, price, and other financial metrics.

OIL AND GAS—Continued

Table of oil and gas related stocks including major energy companies. Columns include stock name, price, and other financial metrics.

Saitama Bank advertisement with logo and contact information for international banking services.

MINES—Continued

Table of mining stocks categorized by region: Australians, Overseas Traders, Plantsations, and Mines. Columns include stock name, price, and other financial metrics.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks including manufacturers and distributors. Columns include stock name, price, and other financial metrics.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing stocks. Columns include stock name, price, and other financial metrics.

PAPER, PRINTING ADVERTISING

Table of paper, printing, and advertising stocks. Columns include stock name, price, and other financial metrics.

INSURANCES

Table of insurance stocks. Columns include stock name, price, and other financial metrics.

SHIPPING

Table of shipping stocks. Columns include stock name, price, and other financial metrics.

SHOES AND LEATHER

Table of shoes and leather goods stocks. Columns include stock name, price, and other financial metrics.

SOUTH AFRICANS

Table of South African stocks. Columns include stock name, price, and other financial metrics.

TEXTILES

Table of textile stocks. Columns include stock name, price, and other financial metrics.

TOBACCO

Table of tobacco stocks. Columns include stock name, price, and other financial metrics.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks. Columns include stock name, price, and other financial metrics.

PROPERTY

Table of property stocks. Columns include stock name, price, and other financial metrics.

LEISURE

Table of leisure stocks. Columns include stock name, price, and other financial metrics.

OIL AND GAS

Table of oil and gas stocks. Columns include stock name, price, and other financial metrics.

Diamond and Platinum

Table of diamond and platinum stocks. Columns include stock name, price, and other financial metrics.

Central African

Table of Central African stocks. Columns include stock name, price, and other financial metrics.

REGIONAL & IRISH STOCKS

Table of regional and Irish stocks. Columns include stock name, price, and other financial metrics.

OPTIONS — 3-month call rates

Table of 3-month call option rates. Columns include stock name, price, and other financial metrics.

Recent Issues and Rights Page 45. This service is available to every company that is in Stock Exchange throughout the United Kingdom for a fee of £700 per annum for each security.

AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as Abbey Unit Tr. Mgrs., Abbey Unit Tr. Mgrs. (a), Abbey Unit Tr. Mgrs. (b), etc., with columns for name, address, and contact information.

Table listing various unit trusts such as Abbey Unit Tr. Mgrs. (c), Abbey Unit Tr. Mgrs. (d), Abbey Unit Tr. Mgrs. (e), etc., with columns for name, address, and contact information.

FT UNIT TRUST INFORMATION SERVICE

Large table listing numerous unit trusts including Abbey Unit Tr. Mgrs. (f), Abbey Unit Tr. Mgrs. (g), Abbey Unit Tr. Mgrs. (h), etc., with columns for name, address, and contact information.

Table listing various unit trusts such as Abbey Unit Tr. Mgrs. (i), Abbey Unit Tr. Mgrs. (j), Abbey Unit Tr. Mgrs. (k), etc., with columns for name, address, and contact information.

Table listing various unit trusts such as Abbey Unit Tr. Mgrs. (l), Abbey Unit Tr. Mgrs. (m), Abbey Unit Tr. Mgrs. (n), etc., with columns for name, address, and contact information.

Table listing various unit trusts such as Abbey Unit Tr. Mgrs. (o), Abbey Unit Tr. Mgrs. (p), Abbey Unit Tr. Mgrs. (q), etc., with columns for name, address, and contact information.

Table listing various unit trusts such as Abbey Unit Tr. Mgrs. (r), Abbey Unit Tr. Mgrs. (s), Abbey Unit Tr. Mgrs. (t), etc., with columns for name, address, and contact information.

Table listing various unit trusts such as Abbey Unit Tr. Mgrs. (u), Abbey Unit Tr. Mgrs. (v), Abbey Unit Tr. Mgrs. (w), etc., with columns for name, address, and contact information.

INSURANCES - continued. Table listing various insurance companies and their services, including Abbey Unit Tr. Mgrs. (x), Abbey Unit Tr. Mgrs. (y), Abbey Unit Tr. Mgrs. (z), etc.

FT. CROSSWORD PUZZLE No. 5424. Includes crossword puzzle grid and clues. Clues include: 1 Let down the strong box as a final precaution (4, 4), 2 Superior melody about a powerless tramp (6), etc.

Table listing various unit trusts such as Abbey Unit Tr. Mgrs. (aa), Abbey Unit Tr. Mgrs. (ab), Abbey Unit Tr. Mgrs. (ac), etc., with columns for name, address, and contact information.

Handwritten text at the bottom of the page: "مركز خدماتنا"

York in 1984

INSURANCE & OVERSEAS MANAGED FUNDS

Main table containing financial data for various insurance and overseas managed funds, including company names, fund names, and numerical values.

OFFSHORE AND OVERSEAS

Table listing offshore and overseas managed funds with their respective details.

NOTES

Notes section providing additional information and disclaimers regarding the fund data.

COMMODITIES AND AGRICULTURE

UK milk curb deal 'worst of all'

FINANCIAL TIMES REPORTER

BRITAIN SECURED the worst deal of all in the European Common Market's plan to curb milk production...

and it is right that we make our own contribution to the cuts. It was impossible, given the gravity of the surplus problem...

Mr Jopling said Britain could not be isolated from the decision in Brussels because UK dairy-farmers were contributing to the surpluses of butter and skimmed milk powder.

Coffee quota operations face scrutiny

EXPORT QUOTA operations of the International Coffee Organisation will be scrutinised at a meeting of its executive board in London on June 4.

Wild factors give Israeli citrus industry the pip

ISRAEL'S CITRUS industry, with exports totalling £250m, earns the nation more net foreign exchange than almost any other.

Cuba in the past decade has also crept up, its exports of oranges and grapefruit, as yet chiefly to the Soviet bloc, mounting to put further pressure on Mediterranean supplies.

Spain, however, remains the major citrus producer in the world. In the past two years Spain extended its avocado pear orchards by an area equal to about half that of all Israel's.

World sugar consumption forecast at 97m tonnes

WORLD SUGAR consumption in the 1984-85 (September-August) season is forecast at about 97.3m tonnes, nearly 2 per cent above this season's level, by the U.S. Department of Agriculture.

Joint ventures may boost Third World shrimp income

BY ANTHONY McDERMOTT IN GENEVA

SHRIMP, their cultivation, processing and marketing improved, could become a more important source of income for Third World developing countries.

Shrimp imports are worth more than \$3bn (£2.2bn) a year and in volume stand at about 450,000 tonnes.

Investment in this area, which could particularly benefit developing countries, could be attractive even at current prices.

According to the centre, experts generally agree that wild natural shrimp stocks remain under-exploited, any significant and sustained rise in production will have to come from shrimp-farming.

PRICE CHANGES

Table with columns: In tonnes unless stated otherwise, May 23, 1984, + or -, Month ago, May 23, 1984, + or -, Month ago. Includes Metals, Grains, Oils, etc.

INTERNATIONAL SHRIMP TRADE 1982

Table with columns: Value (\$), Volume (tonnes), Market share (%). Includes Exporters (Mexico, India, Indonesia, etc.) and Importers (Japan, U.S., U.K., France).

BRITISH COMMODITY PRICES

Table with columns: Commodity, Unit, Price, Change. Includes Base Metals (Copper, Tin, Zinc), Grains, Oils, etc.

AMERICAN MARKETS

Table with columns: Commodity, Price, Change. Includes Precious Metals, Cotton, Wool, Hides, etc.

LONDON OIL

Softer physicals continued to put pressures on the gas oil market and prices weakened in the afternoon.

PRODUCTS—North West Europe

Table with columns: Commodity, Price, Change. Includes Premium gasoil, Gas oil, Heavy fuel oil, etc.

GAS OIL FUTURES

Table with columns: Month, Price, Change. Includes May, June, July, August, etc.

SPOT PRICES

Table with columns: Commodity, Price, Change. Includes Crude Oil, Arabian Light, Arab Heavy, etc.

GOLD MARKETS

Gold fell just \$1 an ounce from Tuesday's close in the London bullion market yesterday to finish at \$379.378.

LONDON FUTURES

Table with columns: Month, Price, Change. Includes May, June, July, August, etc.

EUROPEAN MARKETS

Table with columns: Commodity, Price, Change. Includes Wheat, Soft Red Winter, Hard Red Winter, etc.

ALUMINIUM

Table with columns: Commodity, Price, Change. Includes Aluminium, Spot, 3 months, etc.

GRAINS

Table with columns: Commodity, Price, Change. Includes Wheat, Corn, Barley, etc.

COTTON

LIVERPOOL—No spot and shipment markets were active. Business was lethargic and traders awaited forward commitments.

WOL FUTURES

Table with columns: Month, Price, Change. Includes May, June, July, August, etc.

HIDES

HOES—Leads (Birmingham). Second choice, 100 lb, 100 lb, 100 lb, 100 lb.

POTATOES

Old crop may fall sharply in early trade but a recovery is expected.

COCAOA

Futures opened steady making life-of-contract high in the current export market.

COFFEE

Mixed early dealings confirmed the present sentiment in Robusta as gains of 20-25¢ were made on the spot market.

SOYABEAN MEAL

The market opened unchanged to 50¢ a direct purchase from Brazil producers.

SUGAR

LONDON DAILY PRICE—Raw sugar (110.00) (\$134.00) (110.00) (\$134.00).

INDICES

Table with columns: Index Name, Value, Change. Includes May 23, 1984, 21st May 1984, etc.

REUTERS

Table with columns: Commodity, Price, Change. Includes SOYABEAN, SOYABEAN MEAL, etc.

MEAT/FISH

Table with columns: Commodity, Price, Change. Includes COVENT GARDEN, BSMITHFIELD, etc.

NEW YORK

Table with columns: Commodity, Price, Change. Includes ALUMINIUM, COCAOA, etc.

CHICAGO

Table with columns: Commodity, Price, Change. Includes LIVE CATTLE, LIVE HOGS, etc.

WORLD SUGAR

Table with columns: Commodity, Price, Change. Includes Sugar, etc.

SOYABEAN

Table with columns: Commodity, Price, Change. Includes Soyabean, etc.

PLATINUM

Table with columns: Commodity, Price, Change. Includes Platinum, etc.

Vertical text on the right edge of the page, including 'FOREIGN POUND' and 'MONEY MARKET'.



CURRENCIES; MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Pound at record closing low

Sterling fell to a record closing low of \$1.3890 against the dollar, one of 85 points on the day, partly because of the strength of the dollar, but also as a result of the statement by Mr Arthur Scargill, president of the National Union of Mine-workers, about the failure of talks with the National Coal Board...

News of a draft agreement between Japan and the U.S. to open Japanese capital markets and create a wider international role for the yen created strong demand for the Japanese currency, and at one time the dollar fell to Y224.45.

The D-mark showed modest gains against its European partners at yesterday's closing. In Frankfurt but was placed below its best level against the dollar as the latter attracted demand at its lower levels. The dollar was down 2.7888 from DM 2.7445 on Tuesday and the Bundesbank sold \$1.25bn at the closing. Sterling slipped to DM 3.7880 from DM 3.8160 and the Swiss franc was lower at DM 1.2108 from DM 1.2110.

Trading was a little confused in the Euro-dollar sector of the London International Financial Futures Exchange yesterday. Values were marked up a little at the opening but made heavy weather for the rest of the morning. Dealers noted a shift from June to September as the former contract closed weaker at \$7.32 from \$7.34, having opened at \$7.32. The June contract was firmer, however, highlighting weakness in relation to the cash market.

Confused trading

There was a brief attempt at sell off after the opening of U.S. futures but values soon rallied to finish at the middle of the day's range. There was some confusion over Tuesday's economic statistics from the U.S. and the bearish tone to the September contract and beyond was exacerbated by the Senate's refusal to raise the Government's debt ceiling.

Gold prices opened firmer after late rises in the U.S. bond market. There was little follow-through demand, however, and a softer opening in the U.S. pushed values lower in the afternoon with losses accelerated by sterling's record closing low against the dollar. The June price opened at 103.18 up from 103.15 and touched a best level of 103.26 before easing to finish at 103.12.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, Unit, % change, % change adjusted for divergence, Divergence. Rows include Belgian Franc, Danish Krone, German D-Mark, etc.

THE DOLLAR SPOT AND FORWARD

Table with columns: May 23, Days' spread, Close, One month, % Three months, % Six months. Rows include U.S., Canada, Belgium, etc.

THE POUND SPOT AND FORWARD

Table with columns: May 23, Days' spread, Close, One month, % Three months, % Six months. Rows include U.S., Canada, Belgium, etc.

CURRENCY MOVEMENTS

Table with columns: May 23, Bank of England, Morgan Stanley, etc. Rows include Sterling, U.S. dollar, Canadian dollar, etc.

LONDON

Table with columns: Three-month, Eurodollar, \$1m, etc. Rows include June, Sept, Dec, etc.

CHICAGO

Table with columns: U.S. Treasury Bonds, etc. Rows include June, Sept, Dec, etc.

OTHER CURRENCIES

Table with columns: May 23, \$, % Change. Rows include Argentina, Australia, Brazil, etc.

CURRENCY MOVEMENTS

Table with columns: May 23, Bank of England, Morgan Stanley, etc. Rows include Sterling, U.S. dollar, Canadian dollar, etc.

STERLING DEPOSIT

Table with columns: May 23, Bank of England, Morgan Stanley, etc. Rows include Sterling, U.S. dollar, Canadian dollar, etc.

STERLING DEPOSIT

Table with columns: May 23, Bank of England, Morgan Stanley, etc. Rows include Sterling, U.S. dollar, Canadian dollar, etc.

EXCHANGE CROSS RATES

Table with columns: May 23, Pound Sterling, U.S. Dollar, etc. Rows include Pound Sterling, U.S. Dollar, etc.

EURO-CURRENCY INTEREST RATES

Table with columns: May 23, Sterling, U.S. Dollar, etc. Rows include Sterling, U.S. Dollar, etc.

DISCOUNT HOUSES DEPOSIT AND BILL RATES

Table with columns: May 23, Sterling, U.S. Dollar, etc. Rows include Sterling, U.S. Dollar, etc.

MONEY RATES

Table with columns: May 23, Frankfurt, Paris, etc. Rows include Frankfurt, Paris, etc.

MONEY MARKETS

Slightly firmer tone in London

Interest rates were slightly firmer on the London money market yesterday, but trading was generally quiet. Eurodollar rates were steady after a gradual decline recently, but Federal funds have been firmer, and expectations that U.S. rates will remain relatively high despite Continental inflation, led the debt problems of Latin America, created a slightly firmer tone.

Exchequer transactions draining £200m; a rise in the note circulation of £125m, and bank balances below target of £10m. The Dutch National Bank made a special advance of Fl 2.545bn to the market last week for two weeks, which is longer than dealers think necessary. The current quota is also in its early stages and this has helped to ease pressure on interest rates. Seasonally high

Government disbursements are also exceeding flows into the Dutch Exchequer at present, and this is expected to keep interest rates steady at least until May 23 when the special advance expires. Fixed period rates were about 1/2 per cent earlier yesterday, with one-month money falling to 5 1/2-5 3/4 per cent from 5 1/2 per cent and three-month to 5 1/2 per cent from 5 1/4 per cent.

To Amsterdam call money fell to 5 1/2 per cent from 5 3/4 per cent. In London, call money fell to 5 1/2 per cent from 5 3/4 per cent. In Frankfurt, call money fell to 5 1/2 per cent from 5 3/4 per cent.

MONEY RATES

Table with columns: May 23, Frankfurt, Paris, etc. Rows include Frankfurt, Paris, etc.

LONDON MONEY RATES

Table with columns: May 23, Sterling, U.S. Dollar, etc. Rows include Sterling, U.S. Dollar, etc.

MONEY RATES

Table with columns: May 23, Frankfurt, Paris, etc. Rows include Frankfurt, Paris, etc.

MONEY RATES

Table with columns: May 23, Frankfurt, Paris, etc. Rows include Frankfurt, Paris, etc.

FT LONDON INTERBANK FIXING

Table with columns: LONDON INTERBANK FIXING, 11.00 a.m. May 23, etc. Rows include 11.00 a.m. May 23, etc.

MONEY RATES

Table with columns: May 23, Frankfurt, Paris, etc. Rows include Frankfurt, Paris, etc.

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COMMODITY FUTURES ASSISTANT TRADER. COMMODITY TRADING FIRM. is seeking male or female Trading Assistant with some experience in Commodity Futures Brokers Office. German speaking an advantage but not essential. Salary negotiable depending on experience.

BARCLAYS BANK. Prime Account. P.O. Box 125. Northampton NN1 1SU. Prime Account interest rate 8.75% nominal 9.04% APR.

CAREER FUTURES. COMMODITY/LIFFE RECRUITMENT. Jonathan Wren. Please contact: Michael Hutchings 01 623 1266.

Contracts & Tenders

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN. PUBLIC CORPORATION FOR ELECTRIC POWER. The Public Corporation for Electric Power invites tenders for the following contract:

Public Notices

COMPETITION ACT 1980. COMPETITION REFERENCE UNDER SECTION 5. FORD MOTOR COMPANY LIMITED. The Director General of Fair Trading has received a report under Section 2 of the Competition Act 1980...

BALANCE SHEET as at 31 December 1983. ASSETS: Cash and due from banks 4,245; Securities 3,580; Investments in subsidiaries and associated companies 210; Loans 7,404; Premises and equipment 214; Other assets 2,838; Total assets 18,287. LIABILITIES: Deposits 10,893; Mortgage and other bonds 3,267; Other borrowed funds 256; Other liabilities 2,556; Total liabilities 17,462. CAPITAL FUNDS: 825; Total liabilities and capital funds 18,287.

SANPAOLO BANK. ISTITUTO BANCARIO SAN PAOLO DI TORINO. An Italian Public Law Bank established in 1853. Head Office: Piazza San Carlo, 156 - Turin (Italy). Foreign Branches: Amsterdam, Frankfurt, London, Lyons, Madrid, Milan, Munich, New York, etc.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for May 23.

Table of international bond issues with columns for country, issue name, amount, bid, offer, and yield. Includes sections for US Dollar, Deutsche Mark, Swiss Franc, and Yen.

Table of international bond issues with columns for country, issue name, amount, bid, offer, and yield. Includes sections for Yen Straight, Other Straights, Convertible Bonds, and Floating Rate Notes.

CAPITAL MARKETS

Toyo Trust seeks \$100m with floater

TOYO TRUST is raising \$100m through a 15-year floating rate note in the Eurodollar bond market. Led by Credit Suisse First Boston with Toyo Trust International, Nomura International and Salomon Brothers, the bond has a put option for investors after eight, 10 and 12 years.

OVER-THE-COUNTER

Large table of over-the-counter market data with columns for stock symbols, sales, high, low, and change. Includes sections for continued from page 42 and various stock listings.

MANAGEMENT AMIDST DIVERSIFICATION

DEVELOPING A GLOBAL BANK FOR COMPREHENSIVE FINANCIAL SERVICES

Koh Komatsu, President, The Sumitomo Bank, Limited

By Geoffrey Murray. Sumitomo Bank, Japan's third largest and currently its most profitable, has wide-ranging ambitions to diversify in both the domestic and international financial arenas.

and will continue to decline. Liberalization of interest rates means, on the one hand, our costs of funding will increase, while on the other hand the rates obtainable on loans and credits will not go up as fast and as flexibly as the money market rates.



guard against this? Komatsu: There has been a lot of discussion about the dehumanization aspects of new technology. But while we are certainly moving ahead with a full range of electronic banking systems, the human touch will still be there.

November launched a new service called Bank Report and Information Network (BRAIN), which gives clients instant access via computer to a wide range of essential information on business and financial market developments.

prepared your staff to cope with the challenges of the rapid business diversification? Komatsu: Training of our people to acquire new skills has now become the most pressing requirement of our entire operation.

"A Global Bank" Murray: You have a strong ambition to make Sumitomo a global bank. How are you going about achieving that objective? Komatsu: Internationally, we are entering business spheres where we previously had little or no involvement.

SUMITOMO BANK

Osaka: 22, Kitahama 5-chome, Higashi-ku, Osaka, Japan Tel: (06) 227-2111 Telex: J63266 Tokyo: 3-2, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan Tel: (03) 282-5111 Telex: J22363 London: Temple Court, 11, Queen Victoria Street, London EC4N 4TA, U.K. Tel: (01) 236-7400 Telex: 887667 Other European Offices in Düsseldorf, Brussels, Madrid, Vienna, Milan, Paris, Frankfurt, Zurich and Barcelona

Handwritten signature or note at the bottom of the page.